

Wiesel Demands Ex-Mitterrand Aide Stop Book Sales

By Joseph Fitchett
International Herald Tribune

PARIS — Rejecting Jacques Attali's denials of plagiarism, the author Elie Wiesel demanded Thursday that Mr. Attali, the head of the European Bank for Reconstruction and Development, withdraw his book "Verbatim" from sale because it misused conversations between Wiesel and President François Mitterrand.

At the very least, Mr. Wiesel said, any future edition should omit roughly 40 passages presented in the book as having been said to Mr. Attali. The passages were actually lifted, Mr. Wiesel says, from his own talks with Mr. Mitterrand for another book.

Mr. Wiesel's call for public amendments from Mr. Attali — in an interview and in a statement published in Paris by the *Nouvel Observateur* magazine — increased the pressure on Mr. Mitterrand to distance himself from Mr. Attali, his former top aide.

Ironically, Mr. Attali's book was designed at least partly to dispel doubts about Mr. Mitterrand's tenure, as an insider's account, it throws fresh, flattering light on the French leader's handling of crises such as German reunification.

Since the controversy broke about Mr. Attali's decision to misrepresent the dates of conversations, other actors in "Verbatim," including former Socialist cabinet ministers, have challenged Mr. Attali's version of events.

Presidential embarrassment was implicit Thursday when Mr. Wiesel said that Mr. Mitterrand had told him that he wanted to proceed with publication of their book.

Mr. Attali has acknowledged incorporating text from the two men's discussions about spiritual matters into his own book, misrepresenting them as conversations he conducted and in some instances placing them several years earlier than the actual discussions.

"They were my subjects, 10 non-political subjects that I suggested," Mr. Wiesel said by phone from New York, emphasizing that the themes as well as the actual words were intellectual creations solely of himself and Mr. Mitterrand.

As the plagiarism controversy

Kohl Warns West Over Accepting Serb Gains

By Reuters

BONN — Chancellor Helmut Kohl declared Thursday that Western policy in Bosnia-Herzegovina must not abandon the principles of the Vance-Owen peace plan.

"This means in particular that we must not recognize the circumstances that the Serbian side has established by military means," Mr. Kohl told a conference on European unity.

He said it was now a matter of "the physical and political survival of the Muslims as a nation in their home state of Bosnia-Herzegovina."

The initiative, drawn up last weekend by the United States, Russia, Britain, France and Spain, provides for defending Muslim safe areas, tightening sanctions and taking steps to prevent the war from spreading through the Balkans.

Mr. Kohl said it was vital that the creation of safe areas "in no circumstances lead to the establishment of a kind of reservation for the Muslim section of the population."

The Vance-Owen plan, put forward by the UN representative, Cyrus R. Vance, and the EC mediator, Lord Owen, provided for the creation of 10 semi-autonomous provinces in Bosnia, with the borders drawn along ethnic lines.

Serbian forces, meanwhile, paused in their shelling of Maglaj on Thursday after an 11-day assault on the northern Bosnian town, where the United Nations says 30,000 civilians are trapped in desperate need of food and medicine.

Government-held parts of the capital, Sarajevo, came under sporadic artillery and sniper fire and the Muslim-run crisis center said that 17 people had been killed and 65 wounded across the republic since Wednesday.

But the Belgrade-based Tanjug press agency quoted Bosnian Serbian sources as accusing Muslim forces of shelling their positions around the northern town of Doboj and in Serbian-held districts around Sarajevo, such as Hadzici and Tuzla.

UN officials said that security was deteriorating in central Bosnia, where there were unconfirmed reports of clashes on Thursday.

The senior European Community official in charge of foreign policy, Hans van den Broek, said it was time for the 12-nation bloc to meet at summit level to discuss its stand on Bosnia.

"I am wondering if our heads of state and government should not convene urgently and informally to give where we should stand — not to give the impression that we are satisfied with the status quo," he said in an interview with a Turkish newspaper.



Hans Modrow receiving a red carnation Thursday while on his way to the court in Dresden.

Verdict That Opens the Past Leader in German Unity Guilty of Communist Crimes

By Marc Fisher
Washington Post Service

BERLIN — The last Communist prime minister of East Germany, Hans Modrow — once hailed as the German Gorbachev — was convicted Thursday of rigging a 1989 election that provoked an outbreak of public protest.

The first verdict against a top East German government official by a court in the reunited Germany was a severe blow to the historical image of a man who forced his Communist Party to face reality and unite with the West after the fall of the Berlin Wall.

Now a member of the German parliament in Bonn, Mr. Modrow, 65, conceded that as Dresden regional party chief in 1989 he was politically responsible for the fraud that gave 97.8 percent of votes to the Communists, even though many Dresdeners knew that they and many others had cast protest ballots against the regime.

Mr. Modrow refused to testify. He denounced the case against him, and parliament's decision to strip him of immunity, as a political trial and an effort by western politicians to discredit all respected Eastern Germans.

Judge Rainer Lips, a Western German, gave Mr. Modrow the lightest possible punishment, a warning that carries no jail time and a fine of \$12,500 that would go to the Amnesty International rights organization and a project for Dresden's unemployed. By rejecting prosecution demands for a prison sentence, the judge and a panel of Eastern and Western jurists in Dresden allowed Mr. Modrow to retain his seat in parliament.

The judge said Mr. Modrow carried "the least possible guilt" for the fraud, adding that he approached his party leaders in Berlin on election day in May 1989 and asked them to permit "real election results."

The Modrow trial was the first to satisfy former

WORLD BRIEFS

Neo-Nazis Defy Ban, Judges Warn

DUSSELDORF (AP) — Neo-Nazi groups in Germany are becoming better organized despite recent government attempts to outlaw such groups, magistrates of Germany's regional tribunals said Thursday.

The magistrates, speaking during a conference here, said their data showed an increase in the number of neo-Nazi groups nationwide, especially in Baden-Wuerttemberg and the eastern state of Saxony. The German government outlawed three neo-Nazi groups last year, but officials believe they are still operating secretly.

Last week the head of German intelligence, Eckart Werthmann, warned of a probable increase in racist attacks on immigrants throughout the country despite a fall in the number of such incidents since late last year. Rightist attacks claimed 17 lives in Germany last year and have left four dead this year.

Iran Sets Conditions for U.S. Talks

TOKYO (Reuters) — Iran's vice president, Atollah Mohajerani, said Thursday that Tehran would be ready for direct talks with Washington if the United States ended its freeze on Iranian assets, the Kyodo news agency reported.

"If the United States lifts its freeze on Iranian assets, conditions will be set for direct talks between the two countries," Mr. Mohajerani said in an interview with Kyodo in Tehran.

The vice president said any improvement in bilateral relations would hinge on U.S. action, because Iran had already done "everything needed" to improve relations.

Court Rebuffs Yeltsin in Press Battle

MOSCOW (AP) — A court upheld the legislature's attempt Thursday to strip President Boris N. Yeltsin of control of most state-owned broadcast and news services, but a flaw in publication of the resolution must be corrected before the law can be implemented.

The Constitutional Court said the lawmakers acted within the law when they voted in March to take control of Russian Television, Inter-Tax press agency and the Russian Information Agency.

Mr. Yeltsin placed those media under the control of a close ally, Mikhail Putorin. Interpretations differed over the decision, however, and Mr. Putorin said he would ignore it.

Pakistan Chief Wins Confidence Vote

ISLAMABAD, Pakistan (Reuters) — Pakistan's newly reinstated prime minister, Nawaz Sharif, won a vote of confidence on Thursday after the opposition leader Benazir Bhutto boycotted the emergency session of parliament.

Diplomats said the vote had removed lingering doubts over Mr. Sharif's parliamentary strength a day after the Supreme Court overturned his dismissal by President Ghulam Ishaq Khan.

Mr. Sharif won the confidence motion with 120 votes in the 217-member National Assembly. The session was boycotted by Miss Bhutto's Pakistan People's Party and by defectors from Mr. Sharif's Pakistan Muslim League, who had formed a caretaker government after Mr. Sharif was removed from office last month. Mr. Ishaq Khan accused Mr. Sharif of nepotism and terrorizing his opponents.

Canada to Raise Bar to Immigration

TORONTO (AP) — At an unspecified date this summer, Canada will put into effect requirements to make immigration more difficult for newcomers with a minimal education and poor English or French.

Critics called the proposal, passed by Parliament in February but yet to be carried out, an attempt to keep poorer immigrants out. A spokesman said Wednesday that the employment and immigration minister, Bernard Valcourt, wants to encourage the immigration of "people who can contribute to our society and economic well-being."

The ministry could still change the regulations before they go into effect this summer. Those who qualify as refugees or under family reunification would not be affected.

TRAVEL UPDATE

Strike Cripples French Rail Service

PARIS (Reuters) — A 36-hour rail workers' strike forced the cancellation of about three out of every four French trains on Thursday, France's state rail company, SNCF, said.

The stoppage, which began Wednesday night and is due to end at 8 A.M. Friday, was called by the three main rail unions to protest planned austerity and job cuts at the SNCF.

Members of one of the unions, the Communist-led General Labor Confederation, also stopped working in the Paris Metro and the city's regional transport network. But that strike had only limited impact, forcing only about 20 percent of traffic to a halt.

A four-hour walkout by airport employees in Madrid forced three Iberia domestic flights Thursday to turn around in mid-air and caused other delays and cancellations. The workers plan similar short stoppages for Friday, Monday and June 4. (AP)

Visitors to U.S. parks this summer will find fewer campgrounds open, shorter visitor center hours and fewer rangers on patrol. The National Park Service said the cutbacks were because of a budgetary shortfall of more than \$40 million. (AP)

Shanghai's airport has been closed after an accident, an official of the regional civil aviation administration said Thursday. Passengers on a United Airlines flight diverted to Beijing from Shanghai said their captain was told the airport had been shut after a Chinese cargo plane belly-landed on the major runway. (Reuters)

Bulgaria is considering rebuilding Sofia airport for about \$700 million, the Transportation Ministry said Wednesday. The plan is one of four options in a feasibility study by Britain's Halcor Consulting Engineers, who have recommended a joint venture between the government and Bulgarian and foreign investors. (Reuters)

Curators Move To Save Canvases

By Susan Lumsden
Special to the Herald Tribune

FLORENCE — Empty frames hung crookedly on the bomb-damaged walls of the Uffizi Gallery on Thursday, and a sea of glass and wood splinters covered its floors.

Late in the afternoon, workers were still maneuvering nylon sheets across broken windows and skylights in the oldest museum in the world. Dozens of the Uffizi's paintings, hit by flying glass, now wore art curators' bandages to protect them against further damage from birds and the outside air.

"If most of the paintings were undamaged by glass, they will be harmed by the polluted air now circulating in the open galleries," said Lucia Monaci, an art historian in the museum's prints and drawings section. "The microclimate created by curators and scientists to prevent damaging extremes of temperature and humidity are all gone."

Gianvittorio Dillon, director of the prints and drawings section, which was not damaged by the explosion, said that 300 paintings had been moved by late in the day. Many of them had been blown off their mountings.

The west wing was the most heavily damaged part of the historic building, which was designed by Giorgio Vasari in 1565 to house the administrative offices of the Medici dynasty. "We are only beginning to see the damage," said Antonio Godoli, an architect at the Uffizi.

The museum may be closed for months, mainly because the exit, the monumental staircase by Bernardo Buontalenti, was severely weakened in its underpinning by the car bomb.

Officials said that three paintings damaged beyond repair were "The Birth of Christ" by Gerrit van Honthorst and "Scenes of Life" and "Good Fortune" by Bartolomeo Manfredi, both 17th-century masters who painted in the style of Caravaggio.

Michelangelo's "Tondo Doni," restored just a few years ago, was saved by thick bulletproof glass. Less fortunate were three Roman statues, which had head, legs or arms blown off. The Uffizi's restoration laboratory was also badly damaged.

Athens Proposes Talks

Greece on Thursday proposed direct talks with the former Yugoslav republic of Macedonia in a bid to solve the problem of the neighboring country's name. The Associated Press Reported from Athens.

Premier Constantine Mitsotakis said that Greece had rejected a compromise name proposed by Mr. Owen and Mr. Vance in a package that included confidence-building measures between the two sides.

"We will propose to the United Nations that efforts continue for a solution, within the UN framework, with the addition that Greece is ready at this phase to enter into direct talks with the Skopje side," Mr. Mitsotakis said after a cabinet meeting, referring to the republic's capital.

He would not say at what level the talks would be held if the Greek proposal was accepted. The first and last time officials of the two countries met was in January 1992, when talks between Foreign Ministry officials collapsed immediately and each side accused the other of intransigence on the name issue.

Greece opposes recognition for Macedonia unless it changes its name, saying that the name is historically Greek and that its use implies territorial claims on the northern Greek province called Macedonia.

CHINA: A Year's Tariff Extension UFFIZI: Gallery Bombed

Continued from Page 1

the banning of certain Chinese imports, they said.

Mr. Clinton will formally issue his executive order on China's trade status Friday. In a show of political unity, White House officials said, he is to appear with the leader of the Senate's Democratic majority, George J. Mitchell of Maine, the sponsor of a new bill to put tough conditions on Chinese trade.

Representative Nancy Pelosi, Democrat of California, who sponsored a similar bill, said no legislation was needed. "As long as we are unified," she said, "the Chinese will get the message."

Mr. Clinton's executive order will make next year's extension of the trade status conditional on progress in several human rights issues: compliance with the Universal Declaration of Human Rights, the release of political prisoners and the humane treatment of all prisoners. China must also permit the free flow of foreign radio and television broadcasts into China as well as free emigration.

In addition, the measure calls for respect for the "distinctive religious and cultural heritage" of Tibet. The order makes no mention of the political future of Tibet, most of whose people want independence from China.

China will be pressed to open its markets to American products under agreements signed in 1992, when it signed two major agreements promising American exporters freer access for software, movies, music recordings and other "intellectual property."

The agreements also pledged China to dismantle 90 percent of its import rules and other nontariff barriers.

Mr. Clinton will also order "relevant officials" to "pursue resolutely" Chinese compliance with the Nuclear Nonproliferation Treaty and with the Missile Technology Control Regime, which are intended to bar the spread of missiles and nuclear weapons.

China said Thursday that it was within its rights to crack down on protests in Tibet, and that this should have no effect on either its trade status or its application to be host to the 2000 Olympic Games, Reuters reported from Beijing.

"What happened in Lhasa is an internal affair of China and it is absolutely justified to stop law-breaking acts and maintain law and order," a Foreign Ministry spokesman, Wu Jianmin, said at a regular weekly briefing.

"We wish to go forward but a hidden hand is pushing us back," Mr. Ronchey said.

Interior Minister Nicola Mancino said: "From the analysis that has been done so far, we think there has been an intensification of what we saw in Rome. Hitting Florence gives the entire world the image of Mafia terrorism attacking the state."

Joseph Pulitzer Jr., Publisher, Dies at 80

By Dennis Hevesi
New York Times Service

Joseph Pulitzer Jr., 80, chairman of the Pulitzer Publishing Co. and owner of one of the world's finest collections of modern art, died Wednesday of a heart attack. He was the scion of a landed family in the central Philippines.

Charles D. Hessler, 74, a former publisher of Reader's Digest and of New Mexico magazine, died Monday in Santa Fe, New Mexico, of cancer.

John Ludlow Gould, 79, a pioneering television and radio critic who wrote under the byline Jack Gould for The New York Times, died Monday from a gall bladder infection in Concord, California.

Francisco Sousa Tavares, 72, former Portuguese minister and journalist, died Tuesday in Lisbon after a long illness. He spoke out for political freedom during the years of rightist dictatorship.

Vladimir Promyslov, 85, mayor of Moscow for 23 years from 1963 to '86 and one of the most influential Communist bureaucrats in the Soviet Union, died Saturday.

Sir Vincent Serel Ed, 57, a former governor-general of Papua New Guinea, died Tuesday in Moresby. He resigned in 1991 refusing to dismiss a corrupt maker who had been a cabinet member.

Lord Gornley, former president of Britain's National Union of Mineworkers and a leading figure in the mining strikes of the 1970s, died Thursday. Joe Gornley was president of the union from 1971 to 1982 and played a pivotal role in the disputes that led to the downfall of Edward Heath's government. He was succeeded by Arthur Scargill.

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STATESIDE / FRIENDS OF BILL

Clinton's Hollywood Friends Say They're Far From Designing

By Maureen Dowd

WASHINGTON — Harry Thomason says he and his wife are "fighting for the right to live in this country." Linda Bloodworth-Thomason says she now empathizes with Bebe Rebozo, Bert Lance, Alfred Bloomington and others who have had bad experiences "being the president's best friend." The same Hollywood team that packaged Bill Clinton as "the man from Hope," the glossy biographical film that kicked off the campaign at the Democratic convention in New York last summer, is now fighting back against accusations that they have smudged their longtime friend's populist image.

"I think there might be," Mr. Thomason replied. Some White House officials and Clinton strategists argued that talk-show appearances by the Thomasons this week could hurt the president by keeping a damaging story alive and preventing the White House from picking up the pieces of its message on the economy. But the Thomasons decided to fight back Hollywood-style, guns and folksiness blazing.

Rather, friends of the Hollywood couple say the Thomasons have been warning the Clintons for the last eight months not to get too close to Hollywood, and not to spend too much time in the halogen glow of such glitterati as Sharon Stone and Barbra Streisand. Asked about Mr. Thomason while jogging Wednesday morning, Mr. Clinton said, "He has no official role. He's just our friend."

Quincy Jones, the music producer, and Dawn Steel, the movie producer, both got tours of Air Force One, and White House officials said the president also met with such longtime Hollywood supporters as Patricia Duff Meade, the politically active wife of Michael Medavoy, the chairman of Tristar, and Bud Yorkin, the producer, and his wife, Cynthia Sykes.

On Haircut, President Pleads Ignorance

WASHINGTON — President Bill Clinton said Thursday that he never would have had his hair cut aboard Air Force One as it sat on the tarmac in Los Angeles had he known it would delay air travel, explaining, "That's not the kind of person I am."

The incident joined the populist image that helped Mr. Clinton win the election last year. But the president said he had not realized that he was delaying anyone. "It was a mess-up," Mr. Clinton said. "Look, I wear a \$40 watch. Do I look like the kind of guy who would shut down an airport to get his hair cut?"

President Details Gains, but Admits Message Is Murky

WASHINGTON — President Bill Clinton took credit on Thursday for "a pretty good record" so far but told a television audience that his administration had done "a lousy job" of communicating it. He denied an infatuation with Hollywood.

POLITICAL NOTES

Christopher Follows Up on Leadership Issue

WASHINGTON — Secretary of State Warren M. Christopher tried Thursday to lay to rest an embarrassing debate over whether the United States was withdrawing from its world leadership role, insisting, "We will lead."

Democratic Fundings: Cache as Cache Can

WASHINGTON — The chairman of the Democratic Party said Thursday that he would not halt the party's practice of arranging meetings for big contributors with Clinton administration officials.

2 New Candidates for Supreme Court Justice

WASHINGTON — White House aides have narrowed their search for a new Supreme Court justice to two federal appellate judges from New England, administration officials said.



AT LIBERTY IN NEW YORK — Sailors from the Russian guided-missile destroyer Bezuderny bargaining with a bookseller on Fifth Avenue. Their ship was in New York Harbor for Fleet Week and to mark the 50th anniversary of the Battle of the Atlantic.

Away From Politics

Photographs of the World Trade Center were found during a police raid of the apartment of the man charged with murdering Rabbi Meir Kahane in 1990, New York Newsday reported. The paper said investigators had found the detailed photos in the apartment of Sayyid A. Nossir in November 1990. They also reportedly found evidence linking him to a terrorist group. He was acquitted of killing Rabbi Kahane but convicted on related charges. He attended the

since mosque as several of the suspects in the World Trade Center bombing and was visited in jail by at least two of them. Officials of Tele-Phone Industries, reacting to an indictment of the company on charges of illegally exporting metallic material used to make cluster bombs for Iraq, said the U.S. government knew where the material was going before the company did.

U.S. government over ownership of four paintings by Adolf Hitler and a collection of German photographs, his lawyer said. A federal judge has ordered that Billy Price be paid for items that the U.S. Army found and sent to Washington after World War II, the lawyer said. Mr. Price acquired rights to them from a German family in the 1980s.

Justices' Fear: Losing Their Mystique

WASHINGTON — Of course judges are human. Of course they change their minds, say things they later regret, enter into tactical alliances, make timely compromises. What is notable about Justice Thurgood Marshall's papers, released by the Library of Congress and spread before the public in newspaper accounts this week, is not that his Supreme Court files reveal all this, as other justices' papers have documented before. The most striking and, at least on the surface, puzzling aspect of the affair is the evident anger and anguish of the court itself over the disclosures.

either apostles of principled deliberation or as scoundrels. The court has spoken recently and powerfully of the need to safeguard its claim to public acceptance of its awesome constitutional power to thwart the will of democratically elected legislatures. This theme was central to the court's decision last June to reaffirm the constitutional right to abortion.

authorized biography of Justice William J. Brennan Jr. "You want the freedom to engage in your own written dialogue without necessarily knowing how it's going to come out," Mr. Brennan said. Particularly painful to the court is that Justice Marshall's files, made public at his death and barely 18 months after he left the court, include not just his own work but the work-in-progress of every other justice with whom he served. Supreme Court justices and other appellate judges do not work alone. Every majority opinion reflects at least some measure of collective effort, so any justice's files are a window on the court as a whole.

Marshall Documents Stay Public

WASHINGTON — The papers of Thurgood Marshall, the former Supreme Court justice, will remain open to the public, according to the librarian in charge of the library. James H. Billington said Wednesday that the library had carried out Justice Marshall's "exact intentions" and that to impose restrictions on access to the collection of 173,000 items would be "a breach of contract and a violation of the trust placed in the library."

A Life Term, but Few Answers Was Sailor Fatally Beaten Because He Was Homosexual?

By T. R. Reid WASHINGTON Post Service YOKOSUKA, Japan — A United States Navy court-martial sentenced 21-year-old sailor to life imprisonment Thursday for the murder of a homosexual shipmate in October. The eight officers on the jury deliberated for three hours before giving the sailor, Airman Apprentice Terry M. Helvey, the maximum punishment for the crime of murder with intent to inflict great bodily harm.

In an unsworn statement to the jury this week, Mr. Helvey said, "I did not attack him because he was homosexual." "He accused talked about Schindler's homosexuality when he thought it was in his interest," the chief prosecutor, Captain Stephen Marchioro of the Marines, told the jury on Thursday. "Later, he denied it when he thought that position was in his interest."

Mr. Schindler's letters show a deeply unhappy man who was fearful of shipmates and superior. However, his attitude apparently changed for the better last fall after he told his commanding officer that he was homosexual and then awaited the obligatory discharge from the navy. It also denies accusations that navy officials tolerated an anti-homosexual atmosphere on the Belleau Wood.

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A 'Heavyweight' Chancellor

Economists in U.K. Praise Choice of Clarke

By Erik Ipsen
International Herald Tribune

LONDON — Kenneth Clarke's appointment as chancellor of the Exchequer won quick praise on Thursday from economists.

For the first time in some time we have a heavyweight chancellor," said James Barry, an economist with Morgan Grenfell.

Long seen as one of the cabinet's most ardent pro-Europeans, he extricated himself from a potentially sticky spot earlier this month by insisting that Britain would not re-enter the exchange-rate mechanism during the life of this Parliament. That bow to popular sentiment in general and to the Conservative Party's right wing in particular may have removed the last major obstacle to his ascension.

In the last five years, Mr. Clarke has won praise, beginning as health secretary, then moving to the Education and Science Department before being named home secretary after the general election in April last year.

"He has done a good job sorting out the departments he has headed," said Paul Neill, an economist at NatWest Capital Markets. "He has brought in more efficiency and has kept their budgets under control, exactly the sorts of skills he will need as chancellor."

Many believe that Mr. Clarke's personal attributes may be his pugnacity and his reputation as a good communicator. "He is a man who is pretty ignorant of economics but he is a good street fighter," said Patrick Minford, an economics professor at the University of Liverpool and one of the Treasury's new panel of outside advisers.

With a government deficit of £50 billion (\$77.5 billion) looming as his greatest challenge, Mr. Clarke is expected to take an uncompromising line on the budget. In his November budget statement he will almost surely have to seek spending cuts and tax increases.

In his previous posts, Mr. Clarke has not shied from confrontation. He challenged the power of some of Britain's strongest lobbies.

"He has faced down the teachers, the British Medical Association and at the Home Office he took on the only lobby stronger than the BMA, the police," said Mr. Barry of Morgan Grenfell.

By naming Mr. Clarke as his chancellor, the prime minister has taken a calculated risk. Of all the candidates for the job, the home secretary was seen as the one most likely to stand as a rival for power to Mr. Major himself.

For a Treasury that in recent months has been accused of being weak and rudderless, Mr. Clarke's presence will bring a welcome shift, but a politically dangerous one nonetheless for the prime minister.

"I'd imagine Clarke will want to exercise all the power he can lay his hands on," said Mr. Minford. "It is in the nature of the man."

While most observers expect a new, more confident and assertive leadership style at the Treasury, few see much room for changes in policy. Unemployment is falling, inflation is at a 30-year low and Britain will almost surely post the strongest growth of any European nation this year.

"It is a great starting point for any chancellor," said Nigel Richardson, an economist with Yamatachi International. "It is difficult to get it wrong."

With the economy looking up, many observers described as "ironic" the timing of Norman Lamont's exit as chancellor.

"There does seem to be a curious set of circumstances driving him out at what should be his moment of glory," said one economist.

"It didn't really matter who replaced Mr. Lamont," said David Kern, chief economist at the National Westminster Bank. "The key thing is that the replacement starts with a clean slate and a relatively high degree of credibility."



Queen Elizabeth Receives Irish President

Queen Elizabeth II, right, receiving President Mary Robinson of Ireland at Buckingham Palace on Thursday. It was the first meeting between the British and Irish heads of state in 71 years. The palace said President Robinson described the meeting as "very friendly." She had said earlier that she intended to discuss with the queen initiatives at ending the bloodshed in Northern Ireland.

House Budget Vote Goes to Heart of Clinton Presidency

By Paul F. Horvitz
International Herald Tribune

WASHINGTON — In a day of deal-making, arm-twisting and raw political rhetoric, the House of Representatives moved Thursday toward a final vote on a five-year budget plan that could make or break Bill Clinton's presidency.

Mr. Clinton, in an after-hours compromise with rebellious conservatives in his own Democratic Party, agreed first to get together than he had wanted in trimming U.S. spending on growing social and health benefits known as entitlements.

He has also reportedly agreed to offer more exemptions to his proposed energy tax so that Democratic lawmakers from states with energy-related industries would vote for the budget.

The budget package is the heart of Mr. Clinton's two-pronged drive to drastically cut the annual U.S. budget deficit while redirecting government spending toward long-term investments in education, job-training, transportation, research and programs for children. After the new spending, net deficit reduction amounts to about \$340 billion.

The U.S. financial markets, having pushed long-term interest rates down and bond prices up in anticipation of serious deficit reduction, waited nervously for the House vote. Analysts expected a broad retrenchment if the budget bill was defeated, and Treasury Secretary Lloyd Bentsen reportedly told wavering legislators that interest rates would shoot up if it failed.

Not one of the 176 Republicans in the House was expected to vote for the plan late Thursday. Republicans have criticized the plan as tax-heavy because it envisions as much, if not more, new taxation — \$250 billion — as spending cuts.

Democratic leaders and Mr. Clinton's White House team had to work feverishly throughout the day to amass a simple majority from among the 256 Democrats in the House. The president was reportedly lobbying nonstop by telephone.

Democratic leaders expressed increasing confidence as the day wore on that they would win passage. They prevailed in a test vote on limiting debate, 236 to 194.

Many Democrats feared that to vote "no" on the budget was to declare that their party was incapable of governing, but many also feared that to vote "yes" would invite a tax revolt.

The president's budget director, Leon E. Panetta, got to the heart of the matter when he said early Thursday: "There are a lot of members with their families on the grid-die if we do nothing."

The conventional political wisdom in Washington held that unless Mr. Clinton could push through Congress the heart of his plan to shore up the American economy and create jobs, his presidency would be doomed. The House vote, moreover, is seen as only a prelude to what is viewed as an even more difficult vote when the Senate takes up the budget bill.

Party discipline in the Senate, where Democrats have 57 percent of the vote, is weaker than in the House. Mr. Clinton's proposed \$72 billion energy tax, which imposes a levy on the heat content of fuels, is under serious threat in the Senate.

It took until the early morning hours of Thursday for House Democratic leaders to fashion the compromise on entitlements. Under the deal, if automatic benefits for such programs as Social Security retirement benefits, Medicare and Medicaid cause spending to surpass projections already made by federal auditors, the White House and Congress would be legally required to act on the imbalance.

Conservative Democrats had wanted a firm cap on growth in entitlements, which now account for 40 percent of the U.S. budget outside of military spending and interest on the debt. Mr. Clinton, who already had trimmed some Social Security spending in his original budget, had resisted further cuts.

The deal on energy tax could be even more politically important. According to some accounts, the White House agreed to exempt from the tax exports of products, such as chemicals, that require significant amounts of fuel to produce.

The budget bill, if passed and signed, would represent a sea change in U.S. domestic policy. It contains the largest tax increase in U.S. history, including higher income taxes on the wealthy, a slightly higher corporate income tax, higher taxes on many wealthier Social Security recipients and the energy tax.

Egypt Court Condemns 6 Militants

By Chris Hedges
New York Times Service

CAIRO — An Egyptian military court sentenced six Muslim militants to death and two others to life imprisonment Thursday for attacks on foreign tourists and for trying to assassinate Information Minister Mohammed Sawaf Sherif.

The sentencing, bringing the number of death sentences meted out to militants to 23 in the last six months, follows the militia's deadliest bombing spree in more than a year of clashes, an explosion outside a police station in central Cairo last Friday that killed six people. And hours before the verdict was delivered, five people were wounded, some seriously, in an explosion at a police checkpoint.

The decision to hand what the government describes as "terrorist" cases over to military courts, where there are no appeals, was made by President Hosni Mubarak in November as part of a strategy to crack down on the militant Muslim Brotherhood.

Government officials said that civilian courts, subject to intimidation, had been handling too few cases that were too lenient.

But Amnesty International, in a report this week, questioned the fairness of the military courts and blamed the government for a dramatic rise in human rights abuses.

The militants, fighting to establish an Islamic state, have carried out numerous attacks against government officials, police, Coptic Christians and foreign tourists. More than 150 people have died in the violence, including three foreigners, in the past year.

The attacks have gutted the tourism industry, which once brought in more than \$2 billion a year. Militant leaders said they planned to start targeting both foreign workers and foreign businesses based in Egypt.

Of the six condemned to be hanged, one was sentenced in absentia and is believed to be hiding in Afghanistan. Two militants were given life sentences with hard labor and one was sentenced to hard labor for 10 years. Two others were acquitted.

Charges against three more were dropped after security forces could only provide the court with their first names.

CABINET: Lamont Is Replaced

Continued from Page 1

who might be more willing than Mr. Lamont had been to make further cuts in interest rates, in the hopes of speeding economic recovery.

The reshuffle was aimed at assuaging critics who said Mr. Major had to shake up his founding government in the hopes of restoring confidence in his leadership.

Not only have public opinion polls shown Mr. Major with the lowest approval of any prime minister in recent memory, but also, earlier this month, the voters dealt the government a sharp setback in local elections, where the Tories lost control of 15 of 16 local councils in which they had held the majority.

They also lost a seat in Parliament, in a special election to fill a vacancy resulting from the death of a Conservative legislator. The defeat narrowed the Tory majority in the Commons to just 20 seats of 651.

"Had we gone on the way we were it would have led more criticism of the prime minister," said Sir Geoffrey Johnson-Smith, a Conservative Party leader who proposed the government change. He said Mr. Major demonstrated that "he is personally in charge of his own administration and knows where he wants to go."

But members of Britain's political opposition said the cabinet reshuffle underscored the disarray in the Major government. John Smith, the leader of the Labor Party, said what Britain needed was "a change of policy, not personnel."

There was generally strong approval in Tory ranks for the appointment of Mr. Clarke, who is

Britain-China Talks Set On Hong Kong Airport

HONG KONG — Britain and China said Thursday that they would hold new talks June 4 on financing Hong Kong's airport project, which has become mired in a dispute over the colony's democratic future.

The project, estimated to cost about \$2.5 billion, has become a major friction point in Chinese-British relations. Beijing has rejected financing plans for the airport, saying they will leave Hong Kong with a mountain of debt after it returns to China in 1997.

JAPAN: Quiet Historian's Lesson

Continued from Page 1

treated as outcasts. Over the years, he has become expert at explicating the weaknesses of a system that guarantees individual expression and yet manages so successfully to discourage it.

Lawsuits are relatively rare in Japan, but Mr. Ienaga was quick to realize that rarity makes them all the more conspicuous. So whenever he emerged from the courthouse, fresh from his latest defeat, reporters always surrounded him and splashed his latest examples of whitewashing on the front page.

There was the ministry's ban on the term "war of aggression" and its insistence that references to "anti-Japanese resistance" in Korea be changed to difficulties in obtaining "the Korean people's cooperation."

Indeed, rather than bury Mr. Ienaga's favorite examples, the court cases just kept them alive.

"I think I have been motivated by guilt, nothing else," he said.

During the war, when his health kept him out of the military, he was a teacher in Niigata. "Although I was opposed to the war, I did nothing to resist," he recalled. "So it can be said that my battle is one of resistance that came later."

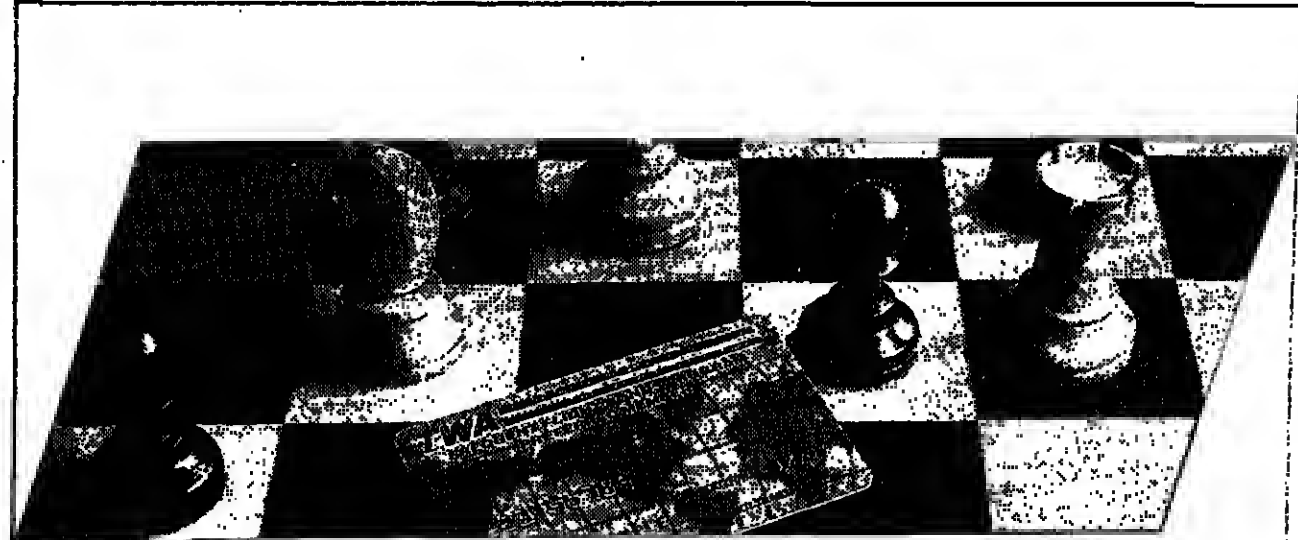
A specialist in Japanese Buddhist thought, legal history and the intellectual movements of the Meiji era — when Japan's transformation into a modern state began in the latter half of the 19th century — Mr. Ienaga says he had no interest in spending three decades challenging the government. Had he chosen an easier path, few colleagues doubt he would have been showered with national awards.

Richard Minear, an American professor who is translating Mr. Ienaga's autobiography, said: "It is ironic, because without question he is among the top dozen Japanese historians in this century."

Education Minister Mayumi Moriyama wrinkled her nose recently when Mr. Ienaga's name came up. "I don't think that he has thought of Japan as a whole, or what he could do for the country," she said.

Although Mr. Ienaga may have lost in the Supreme Court, he inspired the foreign protests that led the Education Ministry to make changes.

"Unfortunately, the Japanese government is very weak against any pressure from foreign countries, but very strong against any criticism from its own people," Mr. Ienaga said. "So no matter what you do in Japan itself, nothing changes. Once the protests come from abroad, the government just throws up its hands and says, 'We will change!' Of course, they don't feel it."



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Herald International Tribune

Forward in Cambodia

Millions of Cambodians, defying threats of Khmer Rouge intimidation, are turning out in elections that advance the United Nations' bold effort to re-create the pluralist society wiped out by war and terror during the past 20-odd years.

The Khmer Rouge or, a lesser but still a troublesome offender, Hun Sen. It has fallen short in arranging demobilization and rehabilitation and in staving off Thai and Vietnamese infringements of local sovereignty.

Backward in Guatemala

It's the latest fashion in Latin American authoritarianism, and it seems to be catching. Following the path marked out by President Alberto Fujimori of Peru 13 months ago, President Jorge Serrano of Guatemala enlisted the army on Tuesday to help him abolish Congress, the courts and the constitution.

The Clinton administration, which quickly condemned the coup, should now move to halt Guatemala's \$50 million in U.S. aid. Meanwhile, the Organization of American States is preparing for an emergency meeting. But that probably will not be enough to turn the tide.

Too Foolish for Arms

Some years ago, a boy who today would be in his mid-30s was delivering The Washington Post to homes in the Virginia suburbs. In a bedroom inside one house on the boy's route, an 18-year-old college student heard a noise outside and thought it might be someone tampering with his car.

He will serve no time in prison. The Peairs verdict brought forth a torrent of criticism in Japan of many things American, from the system of justice to segregated housing patterns and indeed the very culture.

Other Comment

After Cambodia's Election

Twenty parties are contesting the polls, but apart from Prime Minister Hun Sen's CPP, only the Funciep party of Prince Norodom Ranariddh has any chance of either winning outright or being the dominant partner of a coalition.

be by vote of parliament, but a national election is a possibility. If Prince Ranariddh heads the government, his father may persuade him to seek a formula for drawing the Khmer Rouge into a government of national reconciliation. But this could cause Hun Sen to withdraw.

The Danish Loopholes

The recent Danish "yes" vote for the Maastricht treaty was achieved only by granting the Danes major exemptions, including on such crucial issues as monetary union and common security policy.



America and Partners Need Clinton's Fiscal Plan

NEW HAVEN, Connecticut — Members of Congress frequently express horror at the persistence of budget deficits through good times and bad. The heat has come for them to put their money where their mouth is.

By Robert M. Solow and James Tobin. Means Committee bill would go a long way toward restoring tax equity and bolstering the federal revenue base. It would also promote some energy conservation, a welcome bonus.

We agree with President Clinton that the country must shift priorities from consumption, private and public, to investment, private and public. Although most of the proposed new taxes and peace dividends are earmarked for deficit reduction, the plan before the House allocated small amounts to public investments aimed at a high-tech economy and a high-education work force.

Sanctions Can Work, but Apply Them With Care

BERLIN — Whether or not to appease recalcitrants in the international arena is a tricky question for democracies. Rules are not easy to come by. The appeasement of Hitler at Munich is widely seen as a grievous error. Sanctions against the Ian Smith rebels in Rhodesia undeniably helped to bring about Zimbabwe.

By Anthony Hazlett Heard. squeeze on China. It is difficult to see what has really changed for the better in China, apart from cosmetics. It was thus refreshing to read A. M. Rosenthal's argument against the current campaign by China trade lobbyists in the United States (NYT, May 22). The "trickle-down" argument, which holds that more trade will liberalize a regime, is as old as the hills.

to cover sensitive areas such as the academic world, arts and thought can permanently impoverish a nation. Significantly — and fearfully — some British universities stuck to their guns in face of criticism and maintained academic contact with even Ian Smith's university in Salisbury (now Harare) after his rebellion.

Just Who Are These Visitors Helping?

WASHINGTON — Political sureality reached new peaks this week as hundreds of African-Americans gathered for a second African-American Summit in Gabon, a Central African state on the brink of bankruptcy and popular rebellion.

By George B. N. Ayittey. Mr. Bongo's presidential guard brutally suppressed the demonstrations, killing several people. In December, Mr. Bongo will seek a fifth seven-year term in the country's first multiparty presidential election.

1983: Opera Weed-Out. PARIS — The Minister of Fine Arts has instructed the management of the Opera to reduce the number of singers to what is strictly necessary, and there will be a weeding-out which is likely to cause some sensation. The managers intend to peacock off some of the older members of the orchestra who are no longer at their best.

Markets To Enter In Asia

By Hobart Rowen. WASHINGTON — The Clinton administration needs to pay more attention to Asia — all of Asia, not just Japan and China — because that is where the trade action is. Some American exports are destined to learn that the value of American exports to Asia already surpasses total sales to Europe, and the gap is growing.

By the year 2000, the value of America's Pacific trade will double its Atlantic trade, in the estimate of Paula Stern, former International Trade Commission chairman. The Commerce Department took note of this trend with a cover story on APEC, the 15-member Asia-Pacific Economic Cooperation forum, in its April 5 issue of Business America.

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1918: Mum's the Word. PARIS — The following note was communicated to the Paris newspapers last evening (May 27): "By its bi-daily communiqué the Government keeps the public acquainted with the military operations and their development. With regard to the bombardments of the Paris region the position is not the same. If it is inconvenient to indicate the positions where we find ourselves in contact with the enemy, it would be a real crime to permit the Germans, by details which we ourselves furnish, to rectify a most inaccurate fire. It is now, in the interests of the public, forbidden to announce the points of fall."

1943: Allies' War Plan. WASHINGTON — [From our New York edition:] President Roosevelt, in a statement which left the Axis powers guessing as to where they will be hit next, announced today (May 27) that the combined American and British staffs have completed plans for the future conduct of the war. His enigmatic comment on the conditions reached in the meeting which began at the White House on May 11 with the arrival of Prime Minister Churchill follows: "The conference of the combined staff has ended in complete agreement on future operations in all theaters of the war." His words were interpreted as further substantiation that the Allies are now powerful enough to prosecute the war in the Pacific with increased vigor while continuing to make life miserable for Germany and Italy.

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Wrong-Note Under Mr. Don... continued... Jap... Clinton... Private... Cbi... news e... Shouldn't you... and s... CALL U...

OPINION

A Wrong-Note Symphony Under Mr. Don't-Blame-Me

By William Safire

WASHINGTON — Here's the good news: They're learning. George Stephanopoulos, 32 going on 50, is no longer cockily expressing amazement that anyone could be interested in a minor shakeup in the White House travel office.

"Mack" McLarty, the Clinton chief of staff ever since kindergarten, put five of the dismissed staffers back on payroll. "Mack the Nio" and Leon Panetta will try to see that political patronage and police power do not again get mixed.

The White House counsel, Bernard Nussbaum, discovering abuse of the FBI for political purposes by the White House, admitted no wrongdoing but promised Attorney General de Jure Jabot Reno never to go to the federal bureau behind her back again.

These three men have properly assumed responsibility for the mishmash of hubris, favors, white lies, inexperience, misunderstandings and ignorances that led to a mini-freestorm — compounded by the \$200 haircut, for which they had better be sure the president paid.

This column would have gone on in this upbeat fashion but for two reactions from people who didn't get the word, plus one stonewall.

One was from the fellow playing the piano downstairs, blissfully unaware of happenings in the rest of the house. "I had nothing to do with any decision," declared Mr. Clinton, "except to save the taxpayers and the press money." Why is his opening song always "Don't Blame Me"?

Then Linda Bloodworth-Thomason, standing by her man, adopted the too-rich-to-steal defense: How could any couple who made over \$6 million a year, and who had a lousy \$25,000 investment in a travel business (pocket change), possibly want to deprive six little people at the White House of their living? "It's sort of the equivalent of taking over a lemonade stand."

Perhaps, to the Clintons' best Hollywood friends, an \$8-million-a-year travel operation — which the president's cousin Cathy was eager to run, and the Thomasons' air charter buddies were hungry to profit from — is a mere "lemonade stand," a figure of speech that betrays contempt for the poor slob with cheaply short tresses who voted for Bill Clinton.

And perhaps the White House application of the full power of the FBI in providing cover to Clinton patronage is all in the imagination of "the incestuous incestuous incestuous" that is the national press, as Mrs. Bloodworth-Thomason charged, which will hardly endorse her to mental health workers.

But the craven conduct of the Justice Department in this affair is worth a closer look. On May 12, William Kennedy at the White House summoned FBI agents; they took the data to Thomas Kubic, the White Collar Crime Section

chief; he took it on May 14 to Jerry McDowell of the Fraud Section.

The Thomson-triggered probe then went to John Keeney, acting chief of the headless Criminal Division, who reassigned it to Joseph Gangloff, running the Public Integrity Section; on Wednesday, May 19, a two-page "Urgent Report" was forwarded by Mr. Keeney by hand to Associate Attorney General Reno, copy to Associate Attorney General Webster Hubbell. The next day, Mr. Stephanopoulos began putting out the word, getting the FBI press agents to strengthen the language.

Not until the following Monday, May 24, when she read a barb in one of my columns about White House abuse of the FBI, did Ms. Reno call Mr. Nussbaum with her complaint about not being informed of the investigation.

The counsel's office promised never to ignore her again. Ms. Reno will not take a call from me on this; a press aide, Carl Stern, blowing his cool, says only, "Use your sources." It seems that the attorney general's big problem is with not reading her urgent mail.

The New York Times.



The Answer to Aid Appears In Those Precious Beakers

By Larry J. Silverman

WASHINGTON — Preezerk, a small city in a northwestern region of Russia known as Karelia, is so far off the beaten track that the shopkeepers there won't even accept American dollars. Only Russian rubles are good here, I was told, and markkaa — the currency of neighboring Finland, which until 1940 owned Karelia.

I was traveling with a delegation of Americans specializing in the management of municipal water and sewer systems.

Our Russian hosts told us that Preezerk, which translates roughly as "Lakeside," had been the scene of one of those epic battles that seem to characterize the Russian environmental movement, pitting a gigantic industrial enterprise spewing toxic chemicals into the beautiful forests and clear waters against a courageous scientist chronicling the injury to health and the environment.

There are usually only two outcomes to these disputes: Close the factory or continue the pollution. In Preezerk, they closed the factory. The quality of drinking water improved dramatically as did the health of the town's children.

The pride of Preezerk is its water filtration plant. A community that had sacrificed so much for clean water was not about to let its drinking water infrastructure fall apart. The engineers in our group were amazed at how well the facility operated, considering how little there was in the way of tools, materials and equipment.

The small lab in Preezerk, like thousands of laboratories throughout Russia, used to get its scientific beakers, flasks and tubes from East Germany at a low cost. That was before the "current process of disintegration," as the mayor explained. About five years ago, the German glass stopped coming. Preezerk has not seen a new piece of lab glass since.

A broken glass means big trouble. As we were leaving, one of the Americans asked for a drink of water. The lab technician rinsed out a precious beaker and filled it with the water station's safe and healthful product. Each of the Americans in turn drank from the same beaker as the technician rinsed it and filled it and rinsed it again. This was the first and only publicly supplied water that any of our delegation drank in Russia. We wouldn't do this in Leningrad, one of us remarked. I will never forget the smiles of pride on the faces of these Russian municipal workers.

I think of these faces and of that beaker when I hear pundits declare that

sending aid to Russia is like putting money down a rathole. The water filtration station in Preezerk is no rathole. Providing laboratory glass there at low cost or no cost would strengthen a vital institution and win friends for America. It would also provide jobs to American glass makers. And when the Russian economy recovers, such aid could open large markets for American products.

Despite decades of deadening centralization, the Russian people have built thousands of viable local and regional institutions. These include municipal governments, universities, private businesses, government agencies, hospitals, farms, factories, utilities, railroads and many others. These institutions must continue to operate no matter how the power struggle in Moscow resolves itself.

The challenge to the U.S. government and other aid givers is to identify these institutions and support them. This will require a new approach to technical assistance. Small teams of Americans with practical experience in many fields should be fanning out across Russia, not just to offer advice and training, although these are important, but to learn from the Russians what they need and how it can be gotten to them.

The primary purpose of these technical assistance teams should be to advise the U.S. government on how to target assistance, how to distribute aid and how to do so without hurting indigenous enterprises. A secondary purpose of the teams should be to encourage commercial and intellectual exchanges that could continue without further government involvement.

Obviously the instability of the central government in Moscow is an impediment to effective assistance. So is the rigidity of U.S. government bureaus and international banking institutions. America's aim in Russia should be to support the vital enterprises of the Russian people, not to shore up one particular government, no matter how friendly that government may be.

President Boris Yeltsin's electoral victory last month was a stroke of luck for U.S. foreign policy. Despite incredible hardships, the Russian people turned away from militarism and empire and embraced democratic ideals. But the capacity of even Russians to suffer is not unlimited. The immediate challenge for the American government is to help the Russians realize some of the material benefits of their newfound freedom. This means not just aid but effective aid — assistance that improves the living conditions of the people. If Americans can help Russians help themselves to a better economy and safer ecology, they will take care of their own political problems.

The writer is an environmental attorney. He contributed this comment to The Washington Post.

LETTERS TO THE EDITOR

No Fishing Just Yet

Regarding "American Ground Zero" (Books, May 14) by T. H. Watkins:

Years ago, when I needed some information about geomagnetic physics for a novel I was thinking of writing, I talked with a physics professor at my college in Portland, Oregon. He was very helpful in supplying the information I needed, after which we sat in his office and chatted. What he told me in an informal conversation was probably more important than what I had come for.

He had been hired after the Hanford nuclear power plant was built in 1963 as part of a team to take water and river-soil samples from a boat at various points on the Columbia River. Hanford is the largest plutonium production facility in the world, and the 650-square-mile (1,680-square-kilometer) reservation around the Hanford plant is used as a graveyard for radioactive waste.

His job did not last as long as he had expected; the samples kept coming up with alarming amounts of radiation. The results were too embarrassing to be made public; the research boat was shut down and the scientific data already collected were buried.

"Nuclear power was still new then," he said with a shrug. "No one really knew what they were doing. Nobody understood what the long-term damage would be like." He went on to say, "There's just no way to get the radiation contaminants out of the riverbed now."

I'd advise you not to fish in the Columbia River.

For how long? "Oh," he considered for a moment. "The half-life of plutonium is 24,000 years. Not for a while, I'd think."

LEE WOOD, Paris.

The Right Thing to Do

Regarding "Green Foreign Aid Would Sell Better" (Opinion, May 5) by James C. Clad and Roger D. Stone:

This article flows familiar ground but neglects a critical point. Yes, foreign aid is not a big seller on Main Street. Yes, a new focus on basic human needs and the nurturing of civil societies will be enhanced if it can be made economically advantageous for the U.S. environmental industry.

But for the poorest countries, U.S. foreign aid cannot be "market-centered" because the markets are not there. The poorest nations simply do not have purchasing power for "green" or any other products.

By implying that Americans will not support assistance to these countries simply because it is the right thing to do, the authors sell them short. We Americans are a generous people. Our humanitarian instincts will continue to respond positively to opportunities for modest, well-planned aid for health and development with no strings attached.

ELIOT T. PUTNAM JR., Washington.

Words, Words, Words

Regarding "Somali Warlord Sees Himself Reborn as 'Freedom Fighter'" (May 12) by Keith B. Richburg:

It is evident that Operation Restore Hope has not removed the warlords; it has rehabilitated them in a new guise. Their transformation into politicians aspiring for electoral success would be welcome were it not for the fact that they retain substantial arsenals and plan to use them whenever necessary.

UN and U.S. diplomacy, culminating in the Addis Ababa agreement in March, has done nothing to dilute the power of the warlords. The talk about nurturing civic groups as alternative structures of power and authority has been precisely that: talk.

It seems that the United Nations in Somalia is set on the path that has so signally failed in Cambodia and Angola. Blind faith in a chimerical paper agreement cannot replace the imperative of systematic disarmament and patient reconstruction of civil society.

ALEX de WAAL and RAKIYA OMAAR, Co-chairmen, African Rights, London.

Unending Equivocation

I have given up reading about Bosnia. After more than a year of reading about equivocal statements, absurd proposals,

endless postponements and cowardly excuses, I must conclude that the European governments intend to sit tight until the Serbs have completed their "ethnic cleansing" and created a Greater Serbia. Nor will the United States do anything to halt the suffering, justifying its inaction by the inaction of the Europeans. I don't want to read any more about it. I don't want to hear about the shame and stupidity of it all.

LEONORE SUHL, Portimão, Portugal.

Down With Sexualization

Regarding "Toward New Limits on Sexuality" (Opinion, April 28):

How uplifting to read Edwin M. Yoder Jr.'s eloquent plea for the "drastic desexualization" of the American public space, "now replete with promiscuous display and titillation." His remarks are particularly appropriate at this time of year. Spring weather encourages all kinds of sexual thoughts in the minds of office workers, leading too frequently to unbusinesslike bank-pamper, diminishing profits and surely resulting in a competitive disadvantage with the Japanese.

It is rather humbling to realize that the Puritans' struggle to eliminate 5x from national life goes on, three centuries later. Carry on, Mr. Yoder; your crusade is as American as cherry pie.

JOEL COHEN, Newburyport, Massachusetts.

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The flamboyant Este family made the city a Renaissance center.

Music and History in Ferrara

By Roderick Conway Morris

FERRARA, Italy — Flamboyant, despotic, devious, often cruel, but generally endowed with impeccable taste in artistic matters, the Este family ruled this walled city on the plain, where the Po flows into the Adriatic, for nearly 350 years. They were especially fond of music and theater, and the traditions they established lived on long after the dynasty became extinct in 1597, when the Pope took over Ferrara and installed a cardinal as its governor.

Successive cardinal-legates continued to promote the performing arts, though religious and worldly interests did sometimes collide: when Vivaldi was invited to stage his operas here in 1738, he had to direct by remote control, since the ruling cardinal refused to allow him to enter the city, scandalized that Vivaldi (a priest) should be traveling openly with his protégée, the beautiful young soprano Anna Ciurad.

In 1796 Cardinal Carafa completed the city's impressive Teatro Pubblico, now the Teatro Comunale, or Municipal Theater, a solid but stylish stone-built struc-

ture that replaced a series of earlier theaters that had, with monotonous regularity, gone up in flames. Carafa's patronage of theater did not extend to an appreciation of Italy's characteristically boisterous audience participation, and he forbade clapping, foot-stamping, whistling and calls for encores during performances — on pain of public whipping, imprisonment and even death.

Five years ago the Teatro Comunale became the venue for Ferrara Musica, a new annual music festival, offering two sets of concerts (in late May-June, and in October). Among last year's guest productions were John Eliot Gardiner's "Così fan tutte." This year there is a wide-ranging orchestral program, including Beethoven, Mozart, Schubert, Haydn and Rossini, conducted by Claudio Abbado, Roger Norrington and Ivan Fischer.

Opposite the theater is the Old Castle, scene of many Este entertainments, intrigues and excesses. A massive medieval brick structure, surrounded by a moat, the castle served as a refuge for the local populace as to defend anyone against external enemies. The upper rooms were transformed into airy, frescoed apartments, where Lucrezia Borgia presided for the second half of her life, setting the moral tone as the perfect housewife and hostess.

The dungeons below are authentically dismal. Here, several inconvenient members of the Este family met gruesome ends.

An attendant is still so handsome, just as a Victorian traveler found, to tell with a sigh the story of Paisina, the young second wife of Niccolò d'Este (1383-1441) who had the misfortune to fall in love with her handsome stepson, Ugo:

"Decapitati, tutti e due" (Both beheaded). In the same prison another Este who stepped out of line, Don Giulio, was kept for 53 years. He was finally released by his great-nephew in 1559 and took a stroll around town to reacquaint himself with the haunts of his youth, still dressed in the fashion of half a century before and followed everywhere by an admiring crowd.

To the south of the castle lies Ferrara's mediaeval heart, and the Via delle Volte, a mile-long street with a series of vaulted arches, reminiscent of an Eastern bazaar. To the north is the Herculean Extension, named after Ercole (Hercules), who commissioned the local architect Biagio Rossetti (1447-1516) to vastly increase the city's size. Rossetti laid out a grid of broad streets and built numerous houses, palazzi and churches to fill them. (The project was, however, so ambitious that it was only in the 20th century that the entire area was urbanized.) Rossetti's most striking edifice is the Palazzo dei Diamanti, its exterior faced with 12,600 stone blocks cut like diamonds (one of Ercole's heraldic devices).

Around the corner is the more modest house of the poet and amateur gardener Ludovico Ariosto (1474-1533). He built the house with the royalties from his romantic epic *Orlando Furioso*, creating for himself a rustic haven

only a few minutes' walk from the center of town.

The Este themselves built numerous villas, pavilions and hunting lodges in and around Ferrara, some linked by the legendary "Viale," a leafy private corridor shielded by trees, vines and hedges, so that the court could move from one pleasure dome to another and remain invisible to the gaze of lesser mortals.

The most interesting survivor of these exclusive residences is Rossetti's Palazzo Schifanoia ("Away-with-boredom"). A fantastic-realistic cycle of frescoes depicts the zodiacal signs and months of the year, and sparingly evoke life in the Este court. Amidst the classical and allegorical imagery, one scene shows Borsio d'Este and his entourage laughing at a court buffoon's latest witticism, while in another scene, snappily dressed young courtiers at a musical party are going so far as to cuddle the girls — and meeting only the most token displays of resistance.

Close by the Schifanoia is the church of Santa Maria in Vado ("by the ford"). An unusual bar, run by the parish, has little tables set out in the 15th-century cloister, a most delectable spot to pause for a late afternoon or evening drink. Ferrara Musical, (0532) 202.400 (information), 202.075 (bookings).

Roderick Conway Morris lives in Italy and writes for *The Spectator* and other publications.

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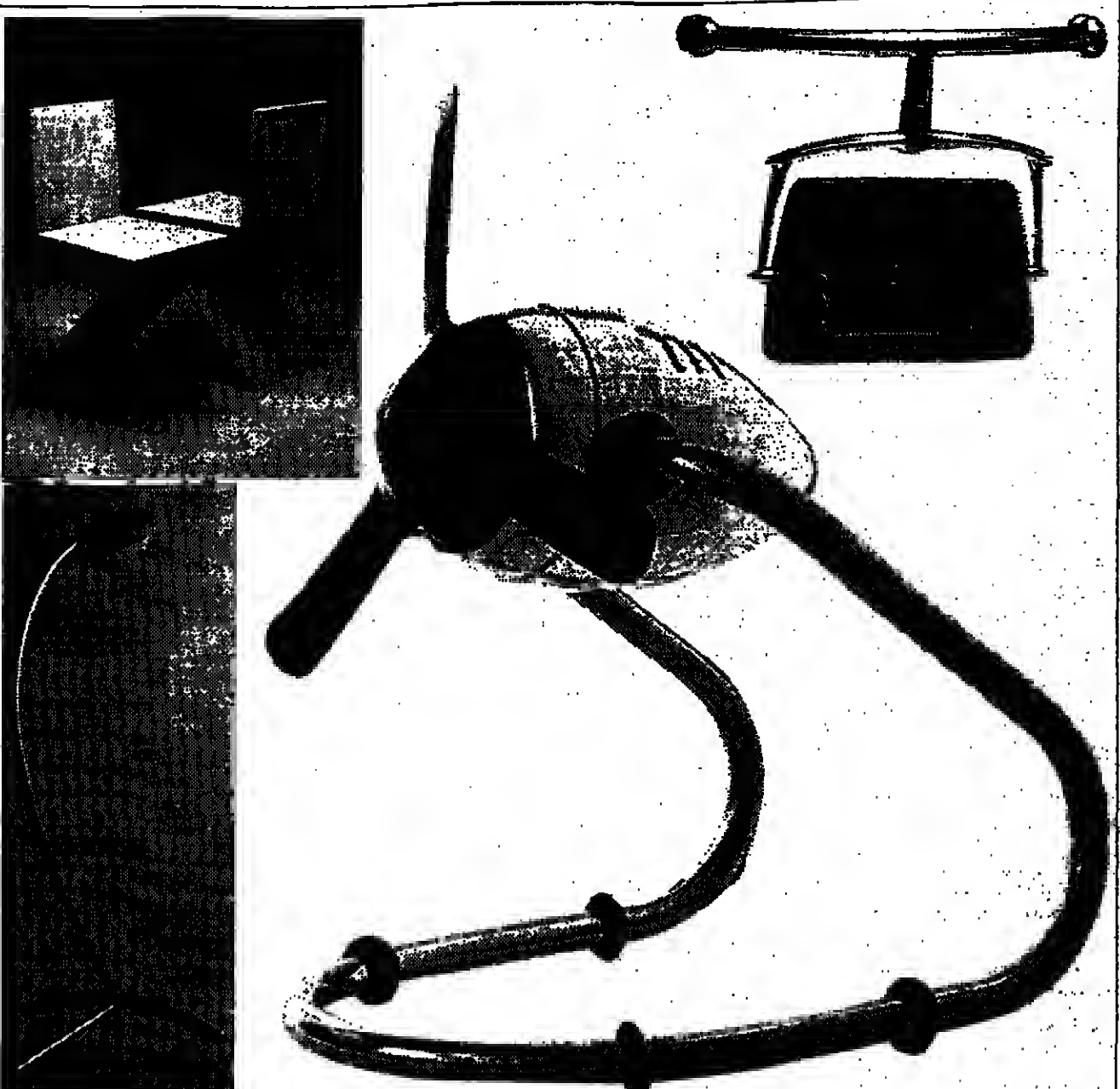
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Variations on ordinary objects: chairs, a television, a fan and a lamp in "Design."

The Shape of Everyday Life

By Katherine Knorr
International Herald Tribune

PARIS — Here we are, nearly at the end of the century, and pop culture curators are looking for themes. What will reflect the achievements of the last man, what will reflect his achievements? The big "Design" show that just opened here grandiloquently says that the shape of ordinary objects — of toothbrushes and eyeglasses and personal computers — is a mirror for the century. So it isn't reassuring to see that this show is a mess.

An exhibition like this should be fun. It has everything going for it: It's pop culture incarnate, all about things you can or could once buy, many of them as familiar to most people as Beatles music and hardly more challenging. Instead, it has the same desperate hipness as these days: It's anti-elitist to a fault and, so, utterly pretentious.

No gimmick has been spared, that much can be said. You enter the exhibition as you might enter Charles de Gaulle airport, through one of those grayish white corridors that come right up to the plane. You emerge, surrounded by the growing sound of engines, onto a metal concourse suspended in the middle of the cavernous and unswamp Grand Palais.

There is a high-perched row of seats where you can pick up phones (some pretty transparent) to hear news or audio collages, or watch video documentaries. As you walk through the show, you will hear snatches of tapes with Significant People talking or just machines sleeping and food mixers whirring. On the far wall are huge pictures meant to tell

you what else was happening in the world in the early days of the icebox or the calculator: old-fashioned workers, grim urban scenery, the fashions of our time. At one end of the show the curving structure of the place is done up in wrinkled looking mirrors, which are meant, it seems, to make you feel spiritually dizzy.

BEFORE you get to the mirrors, however, you might want to look at what is displayed, but that isn't easy. It's all right there on the floor, which is fine for a Cadillac Eldorado, but a little more difficult when it comes to an 1878 Dresser design for a toilet rack or Tupperware jugs or fax machines. Some of the objects are in transparent cases that rise to knee level, which turns the viewer into an awkward giant peering down at Lilliputian displays.

What is this show, which covers roughly 150 years, trying to tell us? There is no neat attempt outside of the catalogue to show the evolution of the design of one or another necessity in our lives, and no attempt really to link any of it to good times, bad times, times of hope or times of despair. There is no attempt to show what might make one design good, and another not, no attempt indeed to give good display to things people might want to look at for a while.

Is anything that is manufactured part of "Design" or just a "design"? Should we see Raymond Loewy, designing the Studebaker, as a kind of a more practical Michelangelo? Was Picasso a great dish decorator who was also a Sunday painter? The great of this world have always had ordinary objects turned to art, bejeweled snuff boxes or carved ivory combs or gold-inlaid pistols. But the highly

intellectual anti-intellectualism here makes no distinctions between an object d'art and a household gadget. Surely even among objects produced in series there are distinctions, or is Gallé glassware no different from Induco roller skates (1979)?

We're no longer a hopeful bunch at the end of the 20th century, and there is nothing to dream on here. The exhibition exists in a kind of perpetual postmodern dimension: It ends not with vistas of the future, as technological shows used to, but squarely with the present, in the unrecognizable form of Renault's latest car, the Twingo.

Here, maybe, is the key to what's wrong. Renault is one of the show's sponsors, and it is a nice little advert for its latest product to be set right there along with the Citroën CV and the Thonet café chair and the Coca-Cola bottle as the kind of everyday object that is a mirror of the 20th century. And that's only the beginning. The second part of the show is a mini trade fair, booths by BMW and Benetton and the Paris department store Les Trois Suisses and so on.

"Design" (to July 25) ends up less a mirror of the 20th century than a reflection of *fin de siècle* superficiality in the museum world.

So is this a show to avoid? No, it's a show to take your kids to, in spite of it all, because there are lots of wonderful things to look at, among the 1,600 or so objects, whether it's old bicycles or alarming cooking utensils or the Charles Eames chair. And check out the only outstanding sponsoring display, a replica of the 1955 McDonald's in Des Plaines, Illinois. You can eat and drink, it's weird, it says something about the century, and it's McPin.

THE MOVIE GUIDE

Lost in Yonkers

Directed by Martha Coolidge.
U.S.
Neil Simon's best-received play is one of his most idiosyncratic, being the story of an emotionally arrested child-woman, her Prussian general of a mother, two temporarily abandoned teenage boys and their gangster uncle. Only because it comes from Simon does this material take on universal appeal. "Lost in Yonkers" somehow isolates a central vision of domestic love and conflict, one that emerges more and more clearly as the play focuses tightly on Bella, the young woman yearning for independence, and Grandma, the mother who refuses to let her go. As adapted by Simon himself and directed smoothly and adroitly by Mar-

the Coolidge

"Lost in Yonkers" is sometimes more picturesque than powerful. But it captures all the warmth and color of the original material. Grandma is played so commandingly by Irene Worth that the whole film seems ready to stand in attention when she appears. Providing comic relief is Richard Dreyfuss in the role of Uncle Louis, the ineffective gangster who wins over Arty and Jay with his well-developed sense of fun. The film's tone remains tirelessly part up to the point where its battle royal is allowed to take center stage. (Janet Maslin, NYT)

Kaikoku e Iko

Directed by Haruo Ichikawa. Japan.
With political corruption uncov-

ered just everywhere, this satirical comedy is truly a timely picture. Particularly since it quite openly attacks the root problem: human nature. Matsudaira (Ken Ogata), fifth-term member of the lower house of the Diet, is virtuous as Dietmen go, but — as his naive young secretary learns — he piles away the bribes with the best of them. When the youngster complains to a colleague, she tells him that he is being unrealistic. Then she opens up the satchel he is delivering to his boss, points at all the yen inside and says: "This is real life. And that's not all, as the young man discovers. To make it big in the political world you have to bribe, to connive, to lie, and to sing romantic kara-oke songs with your women constituents. All of this is most divert-

ingly shown by Haruo Ichikawa and if the finale is a bit like Animal House goes to Japan, the higher reaches of government often are like Animal House. And this picture, unlike everyone in it, never lies. The title translates as "Let's All Go to the Diet" and things will never change until everyone does. (Donald Richie, IHT)

Munch Aho

About Nothing
Directed by Kenneth Branagh. Britain.
At the beginning of Kenneth Branagh's resoundingly average film adaptation of Shakespeare's bitchy comedy "Much Ado About Nothing," the Tuscan sun is high and golden and the residents staying at the villa belonging to the esteemed Don Leonato are scattered among the grapevines growing over a dusky hillside. While they jostle and cavort, these lusty wench and leech look very much like what they are: a gang of paleo-checked, trim-tipped British actors trying to figure out what this "thing" the sun, in a sense, it's an Elizabethan version of "Peter's Friends," a deadly dull upper-crust comedy in which Branagh and his wife (Emma Thompson, who plays Beatrice here) recently starred. Peopleicker and play word games with each other to hide their true feelings, just like you and me, and absolutely nothing is at stake. Perhaps Branagh wanted to show how similar Shakespeare's work was to modern comedy of manners. But what he's done is demonstrate how in the wrong hands, Shakespeare's material is trivialized and reduced to chatter. (Hal Hinson, WP)

BRIDGE

By Alan Truscott

SEVEN years ago, Fred Stewart and Steve Weinstein failed to win the prestigious Cavendish Invitational Pairs by the equivalent of a couple of overtricks. During the past weekend they made up for that disappointment, winning by 690 tricks, one of the biggest margins ever.

They surged to the front on the second day with considerable help from the diagramed deal, on which they climbed to five diamonds in the face of a weak two-bid by East. Stewart, as South, did not like his chances when West led a spade and the dummy appeared. He had plenty of tricks in one sense after winning the spade ace, but the defense was ready to take three decisive tricks.

Unblocking his club honors would have given too much information to the defense. Instead he led a low diamond, and West in dummy with the nine when West played low. He then led a heart, and won with the queen when East, in his turn, played low. Now the diamond king was led, and West took his ace.

West cashed the spade king, which was an error. He did not know that his partner held the heart ace, but he could have unblocked his spade king and left the next move to his partner: East would have known what to do. As it was, West exited with his last trump, in the belief that this was safe. It was not. Stewart gratefully won in his hand, cashed the K-Q of clubs, and crossed to the diamond ten. He then threw his three remaining hearts on dummy's clubs, making an "impossible" game and gaining 188 imps.

NORTH (D)

♠ 7 6
♥ 7 4
♦ 10 9 5 2
♣ A 10 9 5 3

WEST

♠ K 4 3
♥ 10 8 8 2
♦ A 8 4
♣ J 8 7

EAST

♠ Q J 10 9 8 5
♥ A 9 8
♦ 6 7
♣ 6 4 2

SOUTH

♠ A 2
♥ Q J 7 3
♦ K Q J 6 3
♣ K Q

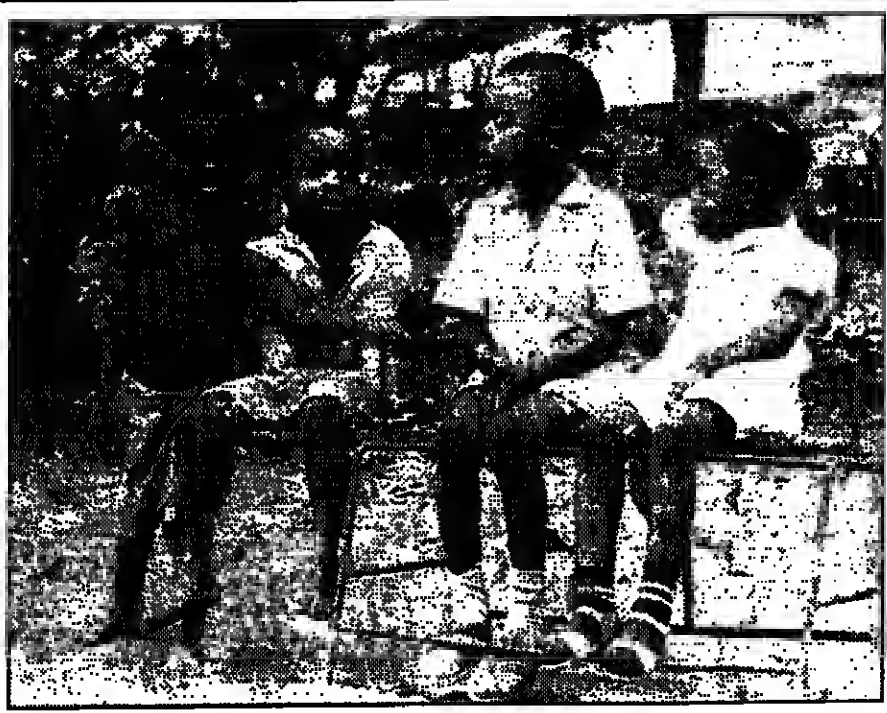
Both sides were vulnerable. The bidding:

North: 1♠, 2♥, 3♦, 4♣, 5♣, 6♣, 7♣, 8♣, 9♣, 10♣, 11♣, 12♣, 13♣, 14♣, 15♣, 16♣, 17♣, 18♣, 19♣, 20♣, 21♣, 22♣, 23♣, 24♣, 25♣, 26♣, 27♣, 28♣, 29♣, 30♣, 31♣, 32♣, 33♣, 34♣, 35♣, 36♣, 37♣, 38♣, 39♣, 40♣, 41♣, 42♣, 43♣, 44♣, 45♣, 46♣, 47♣, 48♣, 49♣, 50♣, 51♣, 52♣, 53♣, 54♣, 55♣, 56♣, 57♣, 58♣, 59♣, 60♣, 61♣, 62♣, 63♣, 64♣, 65♣, 66♣, 67♣, 68♣, 69♣, 70♣, 71♣, 72♣, 73♣, 74♣, 75♣, 76♣, 77♣, 78♣, 79♣, 80♣, 81♣, 82♣, 83♣, 84♣, 85♣, 86♣, 87♣, 88♣, 89♣, 90♣, 91♣, 92♣, 93♣, 94♣, 95♣, 96♣, 97♣, 98♣, 99♣, 100♣.

West led the spade three.

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ADVERTISING SECTION



The future of Nigeria depends on a smooth transition to civilian rule in the upcoming months.

Nigeria

Reviving Economic Giant of Africa

The presidential elections due to be held in Nigeria on June 12 should bring to an end a period of military rule that has overstayed its welcome.

As the soldiers head back to the barracks, Nigeria's politicians and business leaders are gearing up to pursue parallel debates, one on the country's political evolution and the other on the most desirable economic policies for a country whose substantial oil wealth has repeatedly failed to bring meaningful development.

After nearly eight years of the personal rule of General Ibrahim Babangida, Nigeria is impatient for change. While no one pretends that the new democratic system being introduced will of itself bring peace and prosperity to a country of such enormous diversity, there is at least a prospect that a civilian administration will be more accountable than the military in managing the economy.

Although General Babangida began to implement a structural adjustment program (SAP) as long ago as 1986, the military's commitment to the program had begun to waver by 1990, jeopardizing the international support that the SAP had attracted.

New reports of lax financial discipline, especially after the government failed to account for an estimated \$2.5 billion "oil windfall" at the time of the Gulf War, did not help the government's reputation. The perceived lack of financial accountability has inevitably hampered the government's efforts to win a rescheduling of debts from the country's foreign creditors.

In January, General Babangida appointed one of Nigeria's best-respected business leaders, Chief Ernest Shonekan, to manage the economy as the head of a Transitional Council. Nigerians and foreign creditors alike were impressed with the clarity

and determination with which Mr. Shonekan spelled out his priorities in his hastily drafted "budget of hope" for 1993. They are now waiting for proof that he can turn his promises into action over the next three months before the military finally retires from office.

The challenge is daunting. With inflation reaching around 50 percent last year, and rising to annualized rates nearer 100 percent this year, the economy is still absorbing the effects of massive extra-budgetary expenditure in the second half of 1992.

Budget caused hopes to rise

Mr. Shonekan's hopes of removing expensive fuel subsidies and stabilizing the shaky national currency are still being undermined by the effects of government indiscipline in previous years.

Outspoken press commentators in Lagos are doubtful about the ability of Mr. Shonekan and his colleagues in the Transitional Council to stop the economic decline in the time available. "The downward pull on the economy has achieved a trend and velocity which will be hard to reverse without stepping on toes, i.e., sending some real, not imagined, economic saboteurs to KiriKiri [the maximum security prison in Lagos]," says Dele Sabawole of the Lagos Punch. He goes on to doubt whether the Transitional Council has the power to take such steps.

Business leaders in Nigeria give Mr. Shonekan more credit. "It is understandable that the government needs huge resources to finance the diversity of programs that it is committed to, namely the transition to civil rule, external



Chief Ernest Shonekan, chairman of the Transitional Council.

debt repayment, moving to Abuja [the new capital city], requirements of additional states and local governments, etc.," says Alhaji M.I. Atta, chairman of First Bank of Nigeria, the largest bank in the country. "However, unless the huge deficits are reduced by a combination of expenditure control and increased revenue generation, it would be difficult to put the economy back on the right path. The Transitional Council is seriously addressing this problem."

The immediate priorities for Mr. Shonekan's team are to try to reduce a budget deficit that amounted to at least \$2 billion naira (\$2.3 billion) in 1993; to curb unrecorded extra-budgetary expenditure approved by senior regime members; to start the removal of fuel subsidies (which keep Nigerian fuel the cheapest in the world but cost the government at least \$2 billion a year); and to restore some stability to the national currency.

Support for Mr. Shonekan's efforts may come from the incoming presidential candidate, whoever wins the election in June. The politicians have a vested interest in seeing that the most unpopular measures — especially the lifting of fuel subsidies — can be taken before they assume power. But whether the outgoing military will allow the Transitional Council to take the risk of provoking civil unrest with such an unpopular measure in the dying days of its administration still remains to be seen.

Richard Sygne

Transition Leader Paves the Way

Chief Ernest Shonekan, the head of government and chairman of the Transitional Council, answers questions on the country's economic development and recent reform measures.

Your administration has a short term within which to accomplish its economic agenda. Are you confident that you will have set the economy on a new growth path by the time of the handover in August?

Our tenure is a very short one. Eight months would certainly not be enough for major transformations, especially in our circumstances. It is for this reason that we made strenuous efforts to define our mission immediately after the swearing-in ceremony in January. We have tried to be properly focused in our approach so as not to fritter away this rare opportunity to make a positive contribution to our country's development.

The central thrust of our policy has been to implement necessary reforms that will put the economy on a firm foundation for sustained future growth

The indications so far are that we will be able to meet our target at the end of our tenure

and development. With due modesty, I would say I am very positive about the growth prospects of these reform measures. However, as you are probably aware, economic reforms are a never-ending process.

The agenda spelled out in the 1993 budget raised some problematic issues, notably control of the federal budget deficit, liberalizing the foreign-exchange market and lifting fuel subsidies. It has been observed that you have not been able to move as fast as you intended in these areas. Do you anticipate further progress in the near future?

We have made some progress in some of the areas you mentioned. The problem, however, is that it takes time for the impact of reform measures to be fully manifested in the economy. The general framework of government policies in these areas — reducing the deficit, liberalizing the foreign-exchange market and lifting subsidies on fuel — is already in place. The problems we have had in fully addressing them are not unexpected, and we remain fully determined in our resolve to move ahead. In the case of the fiscal deficit, our objective has been to reduce it to under 10 percent of GDP from around 12 percent at the end of the 1992 fiscal year. The major problem has been our debt-servicing obligation, which continues to consume a huge chunk of government revenue.

Nonetheless, the indications so far are that we will be able to meet our target at the end of our tenure. With respect to the issue of lifting the subsidies on fuel, its desirability is not at all in doubt. However, the appropriate decision will be taken in due course. So strictly speaking, the difficulties we have faced in implementing the agenda we set for ourselves in the 1993 budget are not unusual, and I want to assure you that we will continue to maintain the momentum of reforms that

we have already established during the remaining months of our tenure. Nigeria clearly faces difficult negotiations with its official creditors in the Paris Club. What was achieved during your recent visit to Paris?

I would not say that the negotiations with our official creditors have been too difficult. Indeed, from my discussions with the officials of the Paris Club, it became clear to me that there is a willingness on the part of our creditors to favorably consider Nigeria for generous relief.

I believe our sovereign creditors fully appreciate the enormity of our debt problem and the difficulties we face at home in implementing our program and policies as well as the imperative of granting us the needed relief. However, there are still some outstanding areas that our creditors expect us to address before they can make further moves in the desired direction.

Is it now time for Nigeria to accept a loan, on soft terms, from the IMF, as part of an effort to restore fiscal and payments balance?

In the past, we have had stand-by facilities with the IMF but we did not draw from these facilities. Although we are quite interested in reaching a medium-term agreement with the fund, this may not necessarily imply accepting a loan from the IMF.

The investment climate in Nigeria has been considered poor for some years now. In what ways can there be improvements both to the country's international image and to the fiscal and financial environment here?

I agree with you that for one reason or another, the investment climate in Nigeria has been considered poor for some time. This is, however, not on account of lack of government initiatives to redress the situation. I believe it has more to do with the economic decline of recent years.

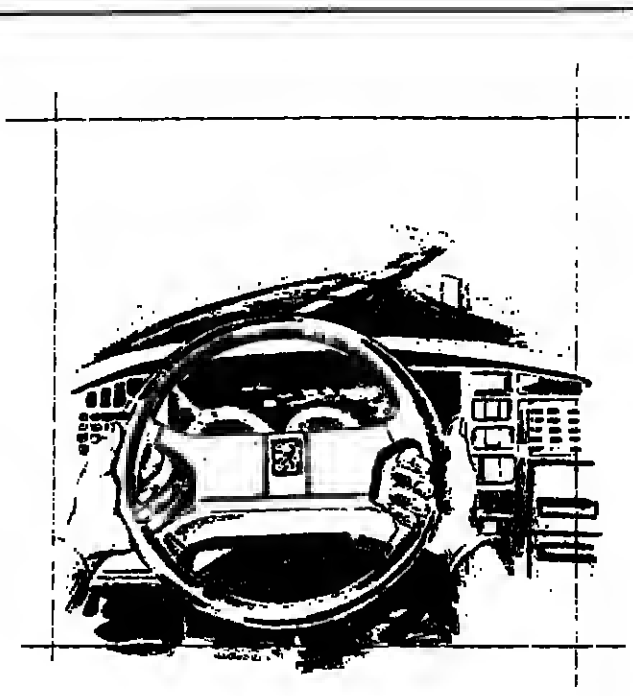
Already, we have introduced a number of reforms designed to make our investment climate attractive to both local and foreign investors. Similarly, part of the objectives of the recent Nigerian Economic Summit is to put in place fundamental reforms that will encourage investors. The government has already committed itself to this, and the signals we are getting so far indicate that hope is gradually being rekindled in our economy.

I have no doubt in my mind that if the incoming government can sustain the reform efforts of recent years, our investment climate will be more attractive in the not-too-distant future.

The question of improving the international image of our country is the collective responsibility of all Nigerians and our foreign friends. I would like to assure you, however, that we have a responsible government and citizenry in Nigeria. The international media have a role to play in educating the world on the largely positive side of the vast majority of Nigerians.

Interview by Richard Sygne

This advertising section was produced in its entirety by the supplements division of the International Herald Tribune's advertising department. © Richard Sygne is a London-based journalist who specializes in Africa. © Paul Adams is a free-lance journalist based in Lagos.



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The Nigerian Security Printing and Minting Company Limited NSPMC

30 Years as Africa's Foremost Security Printers

Historical Background

The Nigerian Security Printing and Minting Company Limited (NSPMC) popularly known as "THE MINT" was established in 1963, by the Federal Government of Nigeria with the assistance of Thomas Dale Roe of United Kingdom. The company was the first of its kind to be established in Black Africa.

Objectives of the Company
The primary objective of the Company is to "supply to government and its agencies, and to the (Central Bank of Nigeria) all security printed materials including (but not limited to) bank notes, coins, postage stamps, postal and money orders . . . and other security printing requirements".

Management and Organization
The mint has 2,000 staff, comprised of highly qualified professionals and skilled workers, for all Nigerians. The day to day affairs of the company is managed by an 11 man team.

Products and Services
The Printing of banknotes and coins account for 70% of the company's business. The output of this line which was less than 2 million notes per week in 1963 has currently reached a level of over 25 million notes per week.

Security documents
Security documents account for about 28% of the total output of the unit. Under this section are bank cheques and drafts, postage stamps, postal orders, treasury bills, passports and examination papers. Other products are certificates, licenses, customs/immigration documents and other sensitive security documents.

Other Products/Services
A unit called Advance Security and Technology Services produces specially manufactured security goods like closed-circuit television systems (CCTV), Chip seals, Note and Coin counting machines and armoured security vehicles to supply to its customers.

Where it is economically feasible to manufacture these goods, NSPMC LTD, embarks on such projects as in the case of chip seals which were once imported, but are now manufactured by NSPMC. Some of these goods like Ultra-Violet lamps are imported while others are supplied by Nigerian manufacturers as in-

- Metal date stamp
- Giant size Embossing seal
- Pocket size Embossing seal
- Table size Embossing seal
- Rubber Stamps.

The ASTS also offers colour separation using advanced technology.

African Banknotes and Security Documents Printers Association.

As the foremost security printing outfit in Black Africa, the NSPMC LTD, initiated and recently hosted the African Banknotes and Security Documents Printers Association Conference which was attended by representatives of Algeria, Egypt, Morocco, Zaire, Zimbabwe and Nigeria. The Managing Director of the NSPMC LTD, Mallam Murtala Bello, is currently the first president of the Association.

Commercialisation
The Mint has always been a commercial outfit and does not receive any subvention from the government. It pays substantial taxes to the government and reasonable dividends to its shareholders.

Plans for the Future

As part of its backward integration policy for sourcing raw materials locally, the NSPMC LTD, has embarked on the establishment of companies with selected technical partners for the production of security inks and papers in Nigeria.

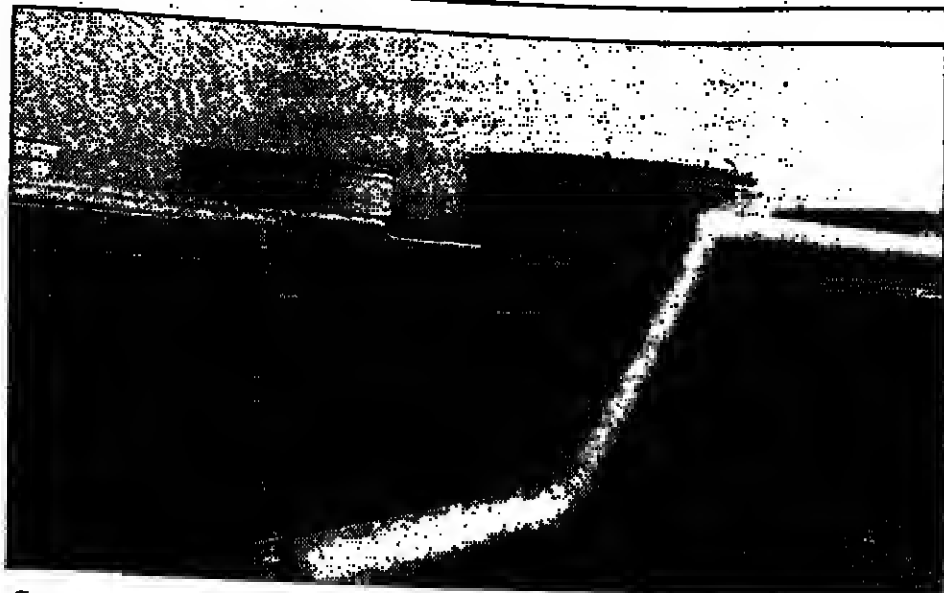
Abuja Project

Plans are underway for the company to move its head office/factory to the New Federal Capital, Abuja. The Ultra-modern factory complex comparable to any in the world is to have capacity for 15 production lines with associated equipment, storage and yards for banknotes, coins and security documents printing. It is hoped that on completion of the factory complex in Abuja, parallel operations will run concurrently in Lagos and Abuja.

For further enquiries contact, Executive Director, (Admin & Management Services) The Nigerian Security Printing and Minting Coy Ltd, 26 Ahmadu Bello Way, P.O. Box 3053 Victoria Island, Lagos.

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Source of prosperity: the oil refinery at Bonny, Nigeria.

Oil Promises Further Growth

Oil remains the only major source of foreign earnings in Nigeria, accounting for over 90 percent of visible exports, despite a structural adjustment program that set out in 1986 to boost exports in other sectors.

The program has liberalized producer prices, but exports of agricultural commodities and processed foods have not reached their potential. Although smuggling thrives, official exports of manufactured goods to the rest of West Africa remain low because of regional trade barriers and poor transport links.

The energy sector will remain the driving force of Nigeria's economy well into the next century and the main prospect for export growth. According to a 1993 budget projection, oil exports this year will be \$11.5 billion, based on an average oil price of \$17.5 a barrel, which is lower than actual prices for the first five months of the year.

The country's oil reserves are about 60 percent of the total in sub-Saharan Africa, yet many of Nigeria's hydrocarbon resources are untapped, and some are wasted. A new ministerial team is trying to move the sector forward, before the handover to elected civilian government in August, into deep offshore oil exploration and natural gas utilization,

including the production of liquefied natural gas.

New exploration, mainly in deep water, will begin this year and should increase proven recoverable oil reserves by 25 percent, to 25 billion barrels, within the next three years. Oil Minister Philip Asiodu is confident that higher reserves will lead to an increase in Nigeria's oil production quota agreed with OPEC. The current quota is 1.8 million barrels a day, subject to review in June.

Currency change aided exports

Nigeria's gas reserves are even greater than its oil reserves, yet it flares about 260,000 barrels a day of gas associated with oil production wells. Joint ventures between the Nigerian National Petroleum Corporation and Chevron of the United States and Agip of Italy have begun to produce natural gas, which previously had been wasted.

Manufactured goods from Nigeria, including household products, textiles and food, are in demand throughout West Africa. But road and rail links are inadequate for bulk industrial transport, and it costs more to ship freight from Nigeria to Ghana than it does to Europe. The Economic Community of West African States (ECOWAS) has failed to lift the tariff restrictions that have hampered most of the country's leading companies. Industrial exports may grow, but the most important sector after oil is agricultural commodities. Cocoa beans are the main non-oil export, worth about \$90 million at today's depressed prices, from production of 130,000 tons. Nigeria is the sixth-largest cocoa producer in the world, and the largest producer of rubber, the third most valuable export, with palm kernels and cashew nuts coming fourth and fifth.

The meager contribution of a potentially wealthy agricultural sector has left the hopes of an improved balance of payments resting with the energy sector, where the scope for growth remains.

Paul Adams

New Investment Incentives Proposed

The appointment of a leading industrialist, Chief Ernest Shonekan, to head an interim government in January and the holding of a national economic conference in Abuja the following month have focused government attention on the investment climate.

For all the good intentions of Mr. Shonekan's Transitional Council, there has been little response to the policy changes recommended by the investors and businesspeople who were invited to debate the issues with ministers in Abuja.

The uncertainties about the scheduled transition to democracy, the instability of the foreign-exchange market and the failure of the government to phase out the subsidy on fuel prices have further weakened business confidence. "Wait and see" will be the attitude of most investors in 1993.

Nigeria has sub-Saharan Africa's richest energy reserves and good agricultural potential. With a GDP of around \$30 billion, it is a big market that is still growing. It has the second-largest private sector in sub-Saharan Africa after South Africa and a substantial range of multinational investors in oil, vehicles, consumer goods, textiles and pharmaceuticals.

But indifferent tax incentives for capital investment, inflation running at over 50 percent and two sharp depreciations of the naira in the past year have channeled most local investment into sectors with high rates of return, such as trade, finance and construction. Foreign capital is the main source of investment in manufacturing, but the weakness of the naira and a lag in remittance of dividends abroad reduce the hard-currency earnings of Nigerian companies.

New incentives for investment in oil and gas downstream sectors will permit for the first time 100 percent foreign ownership of a refinery or petrochemicals plant. The package includes security of tenure of investments, guaranteed export earnings and offshore escrow accounts.

In the non-oil sectors, the Nigerian Enterprises Promotion Decree requiring a minimum 60 percent

Focusing attention on ownership rules

local ownership of all Nigerian companies remains the main deterrent to foreign capital injection. Outside banking, insurance and mineral and petroleum resources sectors, new companies in Nigeria are not subject to this rule, but many of the big multinationals already have affiliates in Nigeria in which they cannot gain a majority stake, and they are unwilling to invest more unless they can gain overall control.

Investors who attended a recent Abuja conference on the Nigerian economy proposed a wide range of investment incentives, including a cut in corporation tax to 25 percent, improved land tenure, better policing, an open market for government debt and less bureaucracy. The outgoing regime has not implemented these changes, but the civilian president scheduled to take office in August will have a blueprint for action at his disposal if he chooses to read it.

P.A.



(ESTABLISHED BY DECREE 10 OF 1987)

UNDERSTANDING NIGERIA'S SHIPPING POLICY

The Maritime Industry in Nigeria is no doubt the second largest and very important sector in the nation's economy, second only to the oil market. Over the years, this sector of Nigeria's economy has suffered neglect, almost and direct long exploitation. In order, therefore, to check the situation, Nigeria's government, led by President, Ibrahim Babangida, promulgated the National Shipping Policy Decree 10 of 1987, establishing the National Maritime Authority (NMA). This singular act is considered as one of the key achievements of the Babangida administration.

In a nutshell, the essence of the National Shipping Policy are as follows:

- (a) To ensure an effective participation by Nigerian National Carriers in the lifting of cargoes generated by the Nation's economy having regard to the country's carrying right of 40 percent of the liner traffic and 50 percent in the case of all other traffic.
- (b) Using the Policy as a means of promoting economic integration of the West African sub-region.
- (c) Use the Policy as an instrument of promoting economic integration of the West African sub-region.
- (d) Use the policy as an instrument of promoting the export trade of Nigeria and thereby accelerating the economic growth of the country.

The core object of the Policy, therefore, is to harness Nigeria's Maritime resources and consequently boost the country's economic base and as such improve the welfare of the citizenry. Therefore, as the apex regulatory authority in the Maritime Industry in Nigeria, the National Maritime Authority functions as follows:

- (a) Co-ordinating the implementation of the National Policy on Shipping.
- (b) Ensuring that Nigerian National Carriers exercise fully Nigeria's carrying rights at least 40 percent of the freight in revenue and volume of the total trade to and from Nigeria.
- (c) Granting national carrier status to indigenous shipping lines.
- (d) Monitoring the activities of vessels of the companies granted National Carrier status.
- (e) Granting assistance to indigenous companies for fleet expansion and ship ownership.
- (f) Regulating liner conferences and national carriers etc.

Since its establishment barely six (6) years ago, the National Maritime Authority has been able to make giant strides. For one thing, the National Maritime Authority has in the past six years been able to chart a new course, introduce some good degree of control and a source of hope for anxious-minded Nigerian Shipping Companies.

- (a) The Nigerian National Shipping Line
- (b) The African Ocean Line
- (c) The Nigerian Green Line
- (d) Bravall Shipping Line
- (e) Bulkship and Nigerbuss.

NMA has been able to establish Port Offices in all the major sea-ports in the country for the purpose of effective monitoring of Vessels and Cargoes.

Through various activities of NMA, there is now stiffer levy collection mechanism from the gross freight thereby earning for the country the much desired forex.

The Authority now has firmer control of the shipping business in the country because of improved communication gadgets, necessary office infrastructure, experience, staff, membership of key international shipping bodies such as IMO, Lloyd's Register etc.

In keeping with Section 13 of the Policy, NMA is proposing the establishment of a Maritime Bank. Plans are now at advanced stages towards the establishment of the Bank at the shortest possible time. The essence of the Bank is to facilitate indigenous vessels ownership by making available funds for that purpose.


NMA is also spearheading the training of graduates from the nation's Maritime Academy, who will eventually man the Nigerian Flag Ships.

NMA, through the Shipping Policy, has made regional and continental gains in the area of harmonisation of shipping interests and policies in Africa.

Nigeria is now playing a leading role in the ministerial conference of West and Central African States in the area of harmonisation of shipping policies in the region. Nigeria is also making significant impact on the continental level.

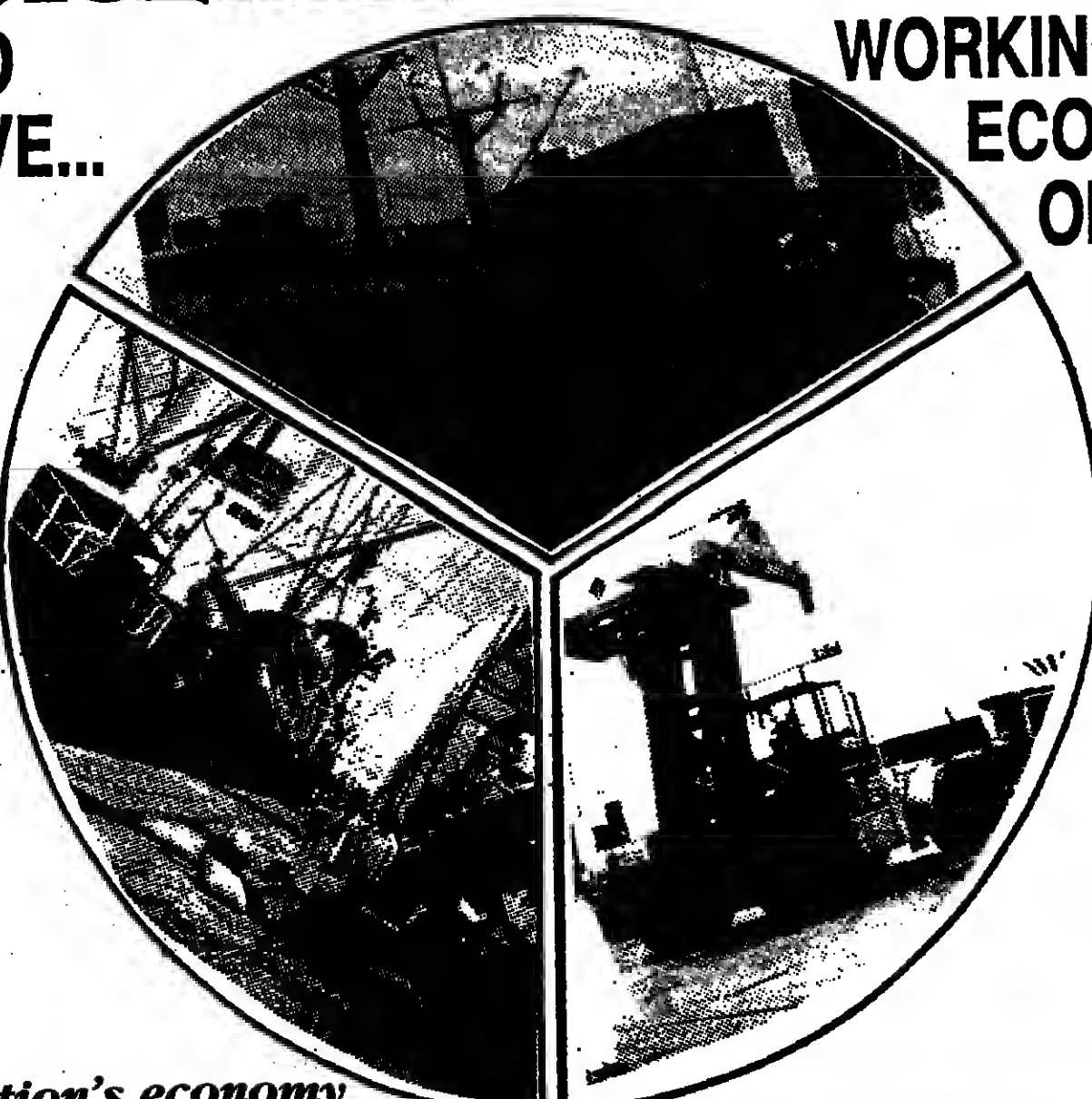
However, the reality of the times especially as it affects shipping, have made it very necessary for Nigeria to now update the Shipping Policy having successfully put in place internationally recognised laws for her Maritime Industry.


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BUSINESS

International Herald Tribune, Friday, May 28, 1993

THE TRIB INDEX 104.17

International Herald Tribune World Stock Index, composed of 230 internationally investable stocks from 20 countries, compiled by Bloomberg Business News, Jan. 1, 1992 = 100.



The index tracks U.S. dollar values of stocks in Tokyo, New York, London, and Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Italy, Netherlands, New Zealand, Norway, Singapore, Spain, Sweden and Switzerland. In the case of Tokyo, New York and London, the index is composed of the 20 top issues in terms of market capitalization. In the remaining 17 countries, the ten top stocks are tracked.

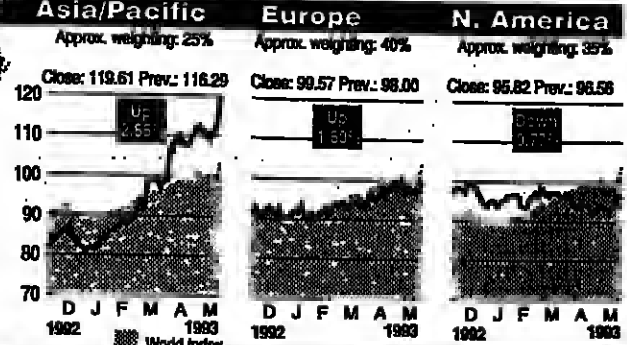


Table of Industrial Sectors: Energy, Utilities, Finance, Services, Capital Goods, Raw Materials, Consumer Goods, Miscellaneous.

For readers desiring more information about the International Herald Tribune World Stock Index, please contact the publisher at the address below.

Bonn Sets Record Deficit

By Barry James

SAINT BRIEUC, France — André Pochon is a rarity among his grumbling and occasionally riotous colleagues — he says the European Community's new agricultural policy is good for small farmers like himself and good for the land.

The planned move of the German government and parliament to Berlin from Bonn, supposed to be completed by 2003, would have to be reviewed, he said. "At the moment we are experiencing the sharpest economic crisis since the Federal Republic of Germany came into existence," Mr. Waigel said.

Cultivated Environment French Farmer Pushes Green Methods

By Barry James

SAINT BRIEUC, France — André Pochon is a rarity among his grumbling and occasionally riotous colleagues — he says the European Community's new agricultural policy is good for small farmers like himself and good for the land.

They argue that they have successfully managed to create a comfortable but not lavish way of life by respecting traditional farming techniques and avoiding large inputs of fertilizer and pesticides. They have formed an association called the Center for the Study of a More Autonomous Agriculture, known as Cedepe, to promote their views.

Yen Goes Higher Despite Fed's Intervention

Compiled by Our Staff From Dispatches

NEW YORK — The dollar plummeted to a new postwar low against the yen Thursday as dollar purchases by the Federal Reserve and a statement by a senior U.S. Treasury official that the dollar had fallen "too far, too fast" failed to stem its slide.

"Once you get the market rolling, it's hard to stop it," said Jerry Egan, managing director of foreign exchange at MTB Bank. The U.S. administration's occasional calls for a stronger yen have helped drive the dollar down 14 percent against the Japanese currency so far this year.

'Producing for the EC stockpile has become a habit. And farmers consider they have a right to produce. This is a pollution of the mind.'

EC Commission officials in Brussels said they agreed with Mr. Pochon's assessment, but acknowledged that this thinking had not percolated down to most French farmers.

The dollar soon gave up those gains, and is likely to continue tumbling as long as Japan's trade surplus with the U.S. grows, traders said. "The dollar is on the defensive until we get some progress on the trade issue," said Lisa Finstrom, currency analyst at Shearson Lehman Brothers.

Amy Smith, an analyst at the IDEA consulting firm, predicted there would be more administration yen-boosting after trade talks with Japan that are coming up.

WALL STREET WATCH

Small Stocks' New Highs Could Mean Broader Rally

By Tom Petrucci

NEW YORK — Small stocks, the market's undisputed leaders in 1991 and 1992, are again trying to assert themselves. Whether they can rise to new highs in coming weeks may tell a lot about the bull market's longevity.

Some small-stock professionals say that a new high on the Nasdaq market now could reenergize the broader market, just as Nasdaq rallies did in 1991 and 1992.

James Crabbe is one of many fund managers looking to buy smaller stocks. His Crabbe Huxon Special stock fund, based in Portland, Oregon, has \$13 million in assets, of which nearly 17 percent now is in cash — more than three times the usual cash level for typical stock funds, and twice the level of a year ago for even the more aggressive ones — thanks to recent infusions from institutional clients.

Mr. Crabbe looks for out-of-favor small stocks, and he admits that it is not easy to find bargains these days, either on Nasdaq or on the New York Stock Exchange, which also has some smaller issues. Two of his favorites are the retailer U.S. Shoe and the hospital giant National Medical Enterprises.

He still thinks the bull market is alive and well. Wall Street's nervous fixation on rising interest rates is missing the point, he says. "These are symptoms of a stronger economy."

Ron Baron, who manages the \$50 million-asset Baron Asset stock fund in New York, also is a bull on smaller stocks. His fund has up about 10 percent for the year to mid-May, and he says, "We're still finding plenty of stocks to buy." He adds, "Our problem is we don't have enough money to buy everything we want to own."

He cites Delta Queen Steamboat, a New Orleans-based company that operates boat tours on the Mississippi River. These are not gambling ships, he says. Rather, the tours are aimed at retirees who want to relive the history of the Mississippi.

Like Mr. Crabbe, he admits that most stocks do not look all that cheap. So he tries to be opportunistic, watching for any break in the market that lets him buy his favorite stocks at better prices. "It's not an easy thing to buy when everybody else is selling, but that's what you have to do," Mr. Baron says.

Grumman, JAL Unit Talk Trains

By Andrew Pollack

TOKYO — Grumman Corp. and a company affiliated with Japan Air Lines are discussing a cooperative venture that could pave the way for Japanese maglevs to be introduced into the United States.

While talks are still in early stages, one idea being discussed is that Grumman and the Japanese company, HST Development Corp., exchange their respective technologies for such trains, which float above the tracks like a surfer riding a magnetic wave.

In addition, HST executives said, Grumman might build trains using HST technology in the United States and the two companies would cooperate on bidding for projects. One of the first such bids would link Kennedy International and La Guardia airports in New York.

Foreign companies are discussing several high-tech train projects in the United States. In Texas, the High Speed Rail Authority has awarded a franchise for a French TGV line and in January a tilt train, known as the X-2000, made by ABB Asea Brown Boveri, the Swiss-Swedish engineering concern, made demonstration runs on the Washington-New York route.

Magnetically levitated projects are the trend, in some cases up to 500 miles per hour (800 kilometers per hour), and a smooth and quiet ride.

Time Is Seagram's Media Play

Compiled by Our Staff From Dispatches

NEW YORK — Seagram Co. said there was an easy explanation for its decision, announced late Wednesday, to lay out just over \$700 million for a 5.7 percent stake in Time Warner Inc., a move that surprised and puzzled analysts.

Edgar M. Bronfman, chairman of the Montreal-based concern that sells liquor, wine and orange juice around the world, said Seagram considered the media and entertainment business "one of the great growth sectors of the 1990s and beyond" and Time Warner "the best-positioned company to benefit" from growth in the field.

Seagram characterized its investment in Time Warner as a friendly one, adding that it might increase its stake to as much as 15 percent. Time Warner said it welcomed its new shareholder.

Seagram disclosed its acquisition after the New York Stock Exchange closed Wednesday. Time Warner's shares gained \$2.25 Wednesday to a 52-week high of \$39, with \$1 of the gain coming in late trading in Toronto, but settled back to \$37.25 by Thursday's close. Seagram, meanwhile, was off 75 cents to \$29.375.

Even at the lower Thursday price, Seagram's 21.1 million Time Warner shares, purchased over several months for an average of \$33.24 a share, would be worth around \$785 million, giving Seagram an indicated profit of about \$85 million.

The investment surprised many analysts because there were no readily apparent strategic links between the two companies' businesses.

Time Warner owns Time, People and Sports Illustrated magazines, the Warner Brothers movie studio, the second-largest cable-TV company in the United States and the cable-programming company Home Box Office, as well as music and book-publishing operations.

Seagram had been rumored to be seeking acquisitions, but analysts figured they would be in the food and beverage business. And there had been rumors that someone was buying Time Warner shares — but Seagram had not been mentioned as a possible buyer.

The Bronfman family owns 37.2 percent of Seagram and is its largest shareholder. The Seagram investment makes it the second-largest shareholder in Time Warner; the largest is Gordon Crawford's Capital Group, which owns 11 percent.

The investment-banking firm Allen & Co. represented Seagram in buying Time Warner's shares. The announcement came only days after Time Warner's agreement to sell a 25.5 percent stake in its cable-television and movie-making operations for \$2.5 billion to U.S. West, a regional telephone company based in Denver.

That deal had been heralded as putting Time Warner in the forefront of the telecommunications revolution that is reshaping the way American consumers obtain information, entertain themselves and communicate with others. (NYT, AP, Reuters)

Tokyo's Anger at U.S. Bubbles as Yen Rises

By Steven Brill

International Herald Tribune

TOKYO — Fearful that Washington is supporting a higher yen as a battering ram on trade, Japan on Thursday ratcheted up its criticism of the administration of President Bill Clinton.

Japanese officials are concerned that such a policy will undermine an economic recovery here later this year.

For months, as the rising yen has tightened the door on corporate Japan, officials have privately offered scathing attacks of the U.S. administration's so-called strategy of first talking up the yen, then denying it wanted to see further yen appreciation.

On Thursday, as the yen surged to a postwar Tokyo record of 107.55 to the dollar, the Japanese government's anger came out into the open.

"There are too many comments by U.S. government officials, which are exploited by speculative dealers," said Yuji Tanabashi, the vice minister of international trade and industry, referring to comments about exchange rates.

Behind the comment lies a growing sense here that the inability of the Clinton team to formulate a clear policy toward Japan has opened the door for currency traders to run up the yen. "Part of the problem is that there's been no articulated policy on Japan, especially over the use of monetary tools," said Robert Orr, director of the Institute for Pacific Rim Studies at Temple University in Tokyo.

Yet some of the policy ideas that leaked out, such as correcting trade imbalances through

CURRENCY & INTEREST RATES

Table with multiple columns: Cross Rates, Eurocurrency Deposits, Key Money Rates, Other Dollar Values, Forward Rates. Includes data for various currencies and interest rates as of May 27.

Paris Privatizations Greeted Cautiously

By Martin Baker

PARIS — The French government's privatization program was given a qualified welcome by financial markets Thursday, as analysts noted that important details such as pricing and other terms of the plan had not yet been disclosed.

Despite serious problems still facing the French economy, and lingering uncertainty about the government's future stance toward business, analysts said the companies that the government an-

nounced Wednesday it planned to sell off would be widely seen by investors as blue-chip proxies for the strong franc and a relatively well-run economy, as well as a means of profiting from anticipated lower interest rates.

Paris shares posted a moderate rise Thursday, as the CAC-40 index gained just over 14 points to breach the 1,900 level for the first time in more than two weeks. French government bond futures ended higher.

Dealers said the market was satisfied that a government bond program of 40 billion francs (\$7.3 billion), to be repaid in shares of privatized companies, would not weigh on the public-sector deficit for long.

The order and timing of the sales of 21 major French state-owned companies will be announced next month.

"Above all, the price must be right," said David Harrington, a French market analyst for the stockbrokerage James Capel in Paris.

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Advertisement for Blancpain watches. Features a large image of a watch and text: 'BENOIT DE GORSKI', 'SINCE 1735 THERE HAS NEVER BEEN A QUARTZ BLANCPAIN WATCH. AND THERE NEVER WILL BE.' Includes contact information for the watch company.

MARKET DIARY

Yet Another Record For the Blue Chips

Compiled by Our Staff From Dispatches
NEW YORK — The Dow Jones industrial average rose to another record closing high on Thursday, boosted by strength in just a few of the blue-chip components.

The 30-stock average closed up 14.67 points at 3,554.83. Gains were led by Chevron Corp., which jumped 3 1/2 to 88 1/2 after it said it was restructuring its refinery operations.

The broad market, however, finished mostly lower, reflecting investor concerns about the weak performance of the dollar against the yen, another surge in gold prices and the budget debate in Congress, analysts said.

Declining common stocks led advances by 8 to 7 on the New York Stock Exchange and volume on the Big Board was estimated at 290 million, compared with 274 million on Wednesday, when the Dow reached its previous high.

Gains in the market were hindered by Thursday evening's vote on the administration's \$300 billion deficit-reduction bill, which is expected to be approved by the House of Representatives.

"There is a lot of concern about the direction of interest rates and the political environment," said Michael Metz, chief market strategist at Oppenheimer & Co.

Thursday afternoon's weakness in the broad market was sparked by rising Treasury bond yields. The yield of the benchmark 30-year bond, which climbed as high as 6.95 percent, ended little changed at 6.92 percent.

During the afternoon, the House approved procedures for debating the budget measure, suggesting imminent approval.

Despite doubts about the budget, traders said stocks would continue to be supported by the record amount of cash that has poured into the market through stock mutual funds. The Investment Company Institute reported that sales of stock mutual funds totaled \$18.2 billion in both April and March, compared with \$13 billion in the 1992 period.

LTV surged in active trading even though the steelmaker's reorganization plan confirmed Wednesday by a bankruptcy court calls for current stock to be canceled, and holders of old LTV common to receive warrants worth only pennies.

LTV expects to emerge from seven years of Chapter 11 protection in June. The stock closed up 1/32 at 9/32 on volume of more than 23.4 million shares.

Analysts at First Boston Corp. and Merrill Lynch reduced their earnings estimates for UAL Corp., the parent of United Airlines. The stock closed down 1/4 at 136 1/4.

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During the afternoon, the House approved procedures for debating the budget measure, suggesting imminent approval.

Despite doubts about the budget, traders said stocks would continue to be supported by the record amount of cash that has poured into the market through stock mutual funds. The Investment Company Institute reported that sales of stock mutual funds totaled \$18.2 billion in both April and March, compared with \$13 billion in the 1992 period.

LTV surged in active trading even though the steelmaker's reorganization plan confirmed Wednesday by a bankruptcy court calls for current stock to be canceled, and holders of old LTV common to receive warrants worth only pennies.

LTV expects to emerge from seven years of Chapter 11 protection in June. The stock closed up 1/32 at 9/32 on volume of more than 23.4 million shares.

Analysts at First Boston Corp. and Merrill Lynch reduced their earnings estimates for UAL Corp., the parent of United Airlines. The stock closed down 1/4 at 136 1/4.

The Dow

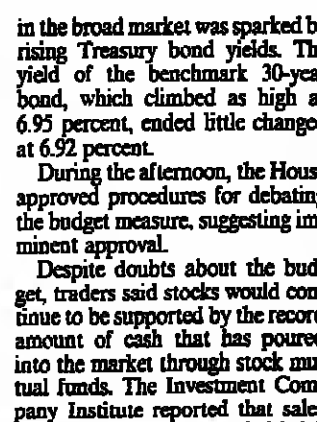


Chart showing the Dow Jones Industrial Average performance over time.

NYSE Most Active

Table listing NYSE Most Active stocks with columns for Volume, High, Low, Last, and Change.

AMEX Stock Index

Table showing AMEX Stock Index performance with columns for High, Low, Close, and Change.

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AMEX Stock Index

Dow Jones Averages

Table showing Dow Jones Averages for Industrial, Transportation, Utilities, and Composite.

Standard & Poor's Indexes

Table showing Standard & Poor's Indexes for Industrials, Transp., Utilities, and Composite.

NYSE Indexes

Table showing NYSE Indexes for Composite, Industrials, Transp., and Utilities.

NASDAQ Indexes

Table showing NASDAQ Indexes for Composite, Industrials, Transp., and Utilities.

AMEX Stock Index

Table showing AMEX Stock Index performance with columns for High, Low, Close, and Change.

Dow Jones Bond Averages

Table showing Dow Jones Bond Averages for 30 Bonds, 100 Industrials, and 100 Utilities.

Market Sales

Table showing Market Sales for NYSE 4 a.m. volume, NYSE prev. close, and other metrics.

NYSE Odd-Lot Trading

Table showing NYSE Odd-Lot Trading for various months and days.

S&P 100 Index Options

Table showing S&P 100 Index Options for various months and days.

AMEX Stock Index

Table showing AMEX Stock Index performance with columns for High, Low, Close, and Change.

EUROPEAN FUTURES

Table showing European Futures for Food, COCOA IPOZ, and COFFEE IPOZ.

Metals

Table showing Metals for ALUMINUM (3M), COPPER CATHODES, and LEAD.

Financial

Table showing Financial for 3-MONTH STERLING (LIFED) and 3-MONTH DOLLAR (LIFED).

Grains

Table showing Grains for WHEAT (CBT) and SOYBEANS (CBT).

Metals

Table showing Metals for COIN (CBT) and SOYBEAN OIL (CBT).

Livestock

Table showing Livestock for CATTLE (CBM) and FEEDER CATTLE (CBM).

Food

Table showing Food for COFFEE (CNYC) and SUGAR (CBT).

Financial

Table showing Financial for U.S. TREASURY BOND (CBT) and U.S. TREASURY BOND (CBT).

Stock Indexes

Table showing Stock Indexes for S&P 500 INDEX (CBM) and NYSE COMP. INDEX (NYSE).

Commodity Indexes

Table showing Commodity Indexes for MOODY'S INDEX (CBM) and NYSE COMP. INDEX (NYSE).

U.S. FUTURES

Table showing U.S. Futures for Grains, METALS, and LIVESTOCK.

Grains

Table showing U.S. Futures for Grains, WHEAT (CBT) and SOYBEANS (CBT).

Metals

Table showing U.S. Futures for Metals, COIN (CBT) and SOYBEAN OIL (CBT).

Livestock

Table showing U.S. Futures for Livestock, CATTLE (CBM) and FEEDER CATTLE (CBM).

Financial

Table showing U.S. Futures for Financial, U.S. TREASURY BOND (CBT) and U.S. TREASURY BOND (CBT).

Stock Indexes

Table showing U.S. Futures for Stock Indexes, S&P 500 INDEX (CBM) and NYSE COMP. INDEX (NYSE).

Commodity Indexes

Table showing U.S. Futures for Commodity Indexes, MOODY'S INDEX (CBM) and NYSE COMP. INDEX (NYSE).

Chevron to Sell Refineries, Stations

SAN FRANCISCO (Bloomberg) — Chevron Corp. said Thursday it would take a \$550 million second-quarter charge as it shrinks its refining operations, the largest in the United States, to reduce the high cost of complying with environmental laws.

Chevron said it would sell its refineries in Port Arthur, Texas, and Philadelphia as part of a restructuring of its fuel-making and retailing business. The company also said it would sell many of its service stations in the West, Southwest and South, where it has strong market shares.

Northwest Air Weighs Going Public

MINNEAPOLIS (Combined Dispatches) — Northwest Airlines said that it might choose to go public in order to raise \$300 million of capital needed by June 1996 as one of the conditions under a cost-reduction plan agreed to by two key unions and management on Thursday.

The plan, which involves wage concessions of \$312 million from the machinists and Teamsters unions as well as from management, will be voted on by union members in June. Another \$365 million of wage concessions is being sought from Northwest Air pilots.

Morgan Stanley Raises Profit 43%

NEW YORK (AP) — Morgan Stanley Group Inc. on Thursday reported a 43 percent increase in its first-quarter profit on strong performances across its business lines.

Morgan Stanley said it had earned \$198.9 million in the three months ended April 30. It said revenue for the quarter rose 30 percent to \$1.05 billion.

Separately, Morgan Stanley said it had signed an agreement to sell Sweetheart Holdings Inc., parent of a company that makes disposable food-service products, to a group led by American Industrial Partners, an equity investment fund.

MGM's Stanfill Expected to Resign

LOS ANGELES (NYT) — A year and a half after being appointed to breathe new life into ailing Metro-Goldwyn-Mayer, Dennis Stanfill is expected to resign as co-chief executive because of a disagreement with the studio's owner, Credit Lyonnais, over its direction.

MGM officials, who spoke on condition of anonymity, said Thursday that the studio planned to announce Mr. Stanfill's resignation following a regularly scheduled meeting of MGM's board of directors in Paris.

Sweep for Toyota in Quality Survey

DETROIT (AP) — Toyota Motor Corp. leads in quality for new cars and trucks, and even U.S. assembly plants, J.D. Power & Associates said Thursday in its automotive survey.

Japanese nameplates once again dominated the Initial Quality Survey conducted by the marketing information firm. But Big Three carmakers also improved their standing.

For the Record

Fieldcrest Cannon Inc., a towel maker, said it had received an unsolicited \$330 million takeover bid from Springs Industries Inc. but added that the company was not for sale.

Ashford Financial Corp. bought a portfolio of mortgage loans, secured by 69 hotels, from Resolution Trust Corp. for \$208.1 million.

WORLD STOCK MARKETS

Table showing World Stock Markets for Amsterdam, Helsinki, Hong Kong, Brussels, Frankfurt, London, Milan, Singapore, Stockholm, Zurich, Toronto, and Tokyo.

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U.S. / AT THE CLOSE

Table showing U.S. Market Performance for S&P 500, NYSE, and AMEX.

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Markets To Enter In Asia

BRUSSELS — The European Community said Thursday it had asked GATT to investigate U.S. duties on specialty steel imports.

Swissair Affirms Alliance Plan

By Brandon Mitchener International Herald Tribune
Convinced that it will be too small to compete internationally by itself, Swissair will continue to pursue a closer alliance with three other European airlines, officials of the airline said Thursday.

"A joint managing company is the first step, but the final goal isn't necessarily a fusion," he said.
Because many Swiss regard Swissair as a national symbol, the notion of merging Swissair with other airlines is as foreign to them as mixing Swiss Emmentaler and Dutch Tilister cheeses.

FRANKFURT — Franz Steinkühler, who resigned this week as president of the IG Metall labor union, is being investigated on suspicion of tax evasion, the Frankfurt prosecutor's office said Thursday.

Steinkühler Is Object of Tax Inquiry

FRANKFURT — Franz Steinkühler, who resigned this week as president of the IG Metall labor union, is being investigated on suspicion of tax evasion, the Frankfurt prosecutor's office said Thursday.

Investor's Europe

Table with columns for Frankfurt DAX, London FTSE 100 Index, Paris CAC 40, and various exchange rates and indices.

FRENCH: Challenging a Country's Traditional Way of Doing Business

Continued from Page 1
When more service-oriented European competitors arrive in the French market, the traditional way of doing business is being challenged.

woman having a baby, provided she undergoes free pre- and postnatal checkups, unemployment insurance that pays around 57 percent of a claimant's prior wages for the first 12 months, and retirement benefits starting at age 60.

"Nobody is ready to risk reforming the whole social security system," Mr. Story said. "The people are so wedded to the institution."

PRODUCE: Green Farming Pays

(Continued from first finance page)
In going for growth, Mr. Pochon added, "we forgot about the pollution."

The government talks about "green tourism," encouraging jaded city dwellers and tourists to stay on farms, as a way of keeping rural areas alive.

NASDAQ

Thursday's Prices
NASDAQ prices as of 4 p.m. New York time. This list compiled by the AP, consists of the 1,000 most traded securities in terms of dollar volume. It is updated twice a year.

Large table containing NASDAQ stock market data, including columns for 12-month high/low, dividend yield, P/E ratio, and company names.

NYSE

Thursday's Closing

Tables include the nationwide price up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

(Continued)

Main NYSE stock market table with columns for High, Low, Open, Close, and various stock symbols.

INTERNATIONAL FUNDS

Quotations supplied by funds listed. Net asset value quotations are supplied by the funds listed with the exception of those quoted on issue prices. The marginal symbols indicate frequency of quotations supplied: (d) - daily; (w) - weekly; (b) - bi-monthly; (r) - regularity; (1) - twice weekly; (m) - monthly.

Large table of international fund listings with columns for fund name, share price, and other details.

AS - Australian Dollars; AS - Australian Dollars; BF - Belgian Francs; CA - Canadian Dollars; DE - Deutsche Marks; EC - European Currency Unit; FF - French Francs; ...

Japan's Competition advertisement with stylized text and graphics.

Fujitsu Ha-F advertisement.

AMEX advertisement with 'Friday's Closing' and 'Shenzhen' text.

For information on how to list your fund, fax Simon OSBORN at (33-1) 46 37 21 33

SPORTS SOCCER

Out of the Desert, a French Mirage Back to Back, 2 Trophies, One the Biggest of Them All

By Ian Thomsen
International Herald Tribune

MUNICH — France had never won a continental trophy in any team sport, but two unimaginable upsets have turned its feeble tradition inside-out and upside down.

It began last month when Limoges, having sneaked into the semifinals of the European Basketball Championship by an aggregate score of two points — one basket — then overbilled giant Arvidas Sabonis (of Real Madrid) and Toni Kukoc (Benetton Treviso) to win France's first major title.

Then Wednesday night in Olympic Stadium, the impossible in soccer's European Cup final.

Or so it appeared last summer, when \$60 million of new talent was being speckled onto the undefeated Italian champion AC Milan, whereas the four-time defending French titlist Olympique Marseille was selling off its stars. Milan's strategy lost out to Marseille's, 1-0, echoing a trend among American teams in this era of escalating payments.

At last France had won the greatest of all European trophies, the brainchild of French journalist Gabriel Hanot four decades ago. The last 42 days have seen the French athletic equivalent of Inspector Clouseau turn into Arnold Schwarzenegger. Nobody's laughing at the French anymore. Suddenly they're pummeling all the bad guys and proving something good, although, as in the

movies, it's hard to say exactly what the winning goal was headed into the net in the 43rd minute by sweeper Basile Boli, whose nationally broadcast tears two years ago had characterized Marseille's scoreless loss to Red Star Belgrade on penalty kicks. Another of Marseille's three remaining starters from that team was Abedi Pele, whose left-footed corner found Boli in front of the goal. Their blue-and-white, flag-waving, torch-burning, hopping-up-and-down-singing band of 25,000 fans honestly couldn't believe what they were seeing.

That went, too, for a fourth veteran of the 1991 Marseille team, Jean-Pierre Papin.

Papin, more than any other, was the acquisition that disrupted Milan. It was the worst \$17 million Silvio Berlusconi ever spent. When Papin arrived, it meant the periodic dismissal of hallowed Dutch midfielder Rudi Gullit into the grandstand, from where he watched the loss Wednesday. Papin wasn't happy, either. Used to living alone up front, he was now a complement to perhaps his only superior, Marco van Basten. Papin came to life only after van Basten underwent ankle surgery in December. Then Papin suffered a torn calf, and between them they'd played in only six matches in the six weeks before the final, as Milan struggled to bring its legs in tune.

"Unfortunately, we had to field several unfit players," said AC Milan's coach, Fabio Capello. "If all were fit, I think we would have won

our fifth title. But it's useless to lament; I had to use the players who were available."

At one time Marseille's owner, Bernard Tapie, followed Berlusconi's way, signing Chris Waddle for \$7 million, almost double his market value, and rushing to hire Franz Beckenbauer as coach after his 1990 World Cup success. That quickly resulted in a major problem, since Beckenbauer didn't speak French and couldn't communicate with the players.

Last summer, Tapie unloaded Papin, Waddle and international midfielder Mozer. He replaced them with Rudi Voller, now 33, who was forced out of AS Roma, and Alen Boksic, 23, a Croatian whose league-leading 21 goals in French competition were unexpected. Papin has recently admitted to having warned Tapie that he was making a mistake in signing Boksic. It was, Papin added, the last advice he gave his old boss.

Tapie is out the most agreeable man. Perhaps others have threatened to tear off his arm and beat him with it. Papin's futile appearance for Milan was like Tapie tearing off his own arm, handing it to Berlusconi, then destroying the Italian without it.

"We retain the greatest respect for Papin, and if he said to me tomorrow that he wanted to come back, we would take him," Tapie said cheekily after Papin's failure to score in his 35 minutes as a substitute Wednesday night.

Though the Marseille defense appeared overwhelmed by Milan's long balls flying overhead, goalkeeper Fa-

blen Barthez rescued them with a brilliant one-handed stop of striker Daniele Massaro. Thereafter Milan appeared increasingly frustrated, and then demoralized by Boli's goal.

"I think that we deserved to win the final in Bari two years ago," said the Olympique's 72-year-old coach, Raymond Goethals, who will retire after having been hired in midseason to rescue Marseille each of the last three years. "But this is more important because we have beaten one of the world's greatest teams."

"But it's an aging team," Capello said. "We knew Marseille was a difficult team to play and we made our task more difficult by wasting easy chances in the first half."

Few will emphasize with Milan, which could learn from Marseille's less-is-more approach. As for Marseille, once it has clinched its fifth consecutive French title in the next two weeks, it must once again reconstruct. Midfielder Franck Sauzeau signed Thursday with Atalanta of Bergamo to play in the Italian first division next season. Voller has his eye on Japan's new J-League. Pele and Boksic are considering moves to Italy. Frank Rijkaard said he was leaving Milan, for France or Spain.

Neither is Goethals likely to make himself available for another midseason recall, especially given his frequent thrashings with the mediocre Tapie — who, himself, must deal, for the second time in three years, with charges that his club has tried to bribe opponents.



Olympique's coach, Raymond Goethals, 72: Good-bye.

J-League Harming Players, Zico Says

By Andrea Fornes
Special to the Herald Tribune

TOKYO — Zico has been playing soccer since he was 7. Now, at the age of 40 and with an astonishing 803 goals to his credit, the Brazilian is threatening to call it quits after having come to Japan two years ago to keep his career alive and to help the Japanese begin their professional league.

With the league's first season barely two weeks old, and a leg injured, he no longer sees a future here unless the rules are changed.

The problem, Zico said, is that the schedule, with two matches a week, is too demanding.

"They want me to play next year, but I told them it won't be possible as things stand now," he said. "I came from Brazil to play once a week and to see if I could keep on playing. But with this system, the risk of injuring myself is very great."

With his age and a knee that has required surgery, Zico, a forward for the Kashima Antlers, is cautious. His ideal would be to compete once a week, then rest for two days before practicing for the next match. In Brazil, teams seldom play more than one match a week.

Last week, he had to withdraw 18 minutes into a match against the Yokohama Flügels after tearing his right thigh muscle. He is undergoing treatment that includes acupuncture and *shiatsu*, or finger-

pressure massage. But it will be mid-June before he plays again.

"It's difficult for a 25-year-old to play two matches a week, so you can imagine what it's like for me," Zico said.

The J-League's 10 teams play every Saturday and Wednesday. But, worse, two 15-minute sudden-death periods and then a penalty shootout can follow if regulation time ends in a draw. Matches can last far longer than 90 minutes.

"By the end of it all I think most teams will be physically destroyed," Zico said, adding that the performance of Japan's national team would also suffer.

When "Jee-koh," as he's called here, came to Japan in 1991, he found himself playing on a dirt field before crowds of less than 100. There was no dressing room and he sometimes had to wash his own uniforms. At the time, the Antlers were a second division team in the country's amateur league.

Zico considers himself a pioneer, out just another of the 46 foreigners now playing in Japan. The inheritor of the No. 10 uniform number worn by Pele on the Brazilian national team, he was criticized at home for taking \$1.5 million from Sumitomo Metal Industries, which sponsors the Antlers, to go to a country where soccer was well eclipsed in popularity by baseball and sumo.

"People think only about money, and they forget that you can have satisfaction by doing serious work," Zico said. "My coming motivated the J-League and other players, such as [Gary] Liner, [Frank] Lithbarski and Ramon Diaz, to come, too. They thought, 'If Zico went to Japan, there must be something to it.'"

The Kashima Antlers have built the league's best stadium, with a capacity of 15,000, at their headquarters, about 150 kilometers north of Tokyo. And Zico, whose real name is Arthur Antunes Coimbra, is respected as a "sensei," or teacher. In addition to leading the team on the field, he coaches, imparting knowledge gained competing in Brazil and Italy. Some Japanese players have sought to join the club just to learn from him.

Even with the presence of English and German teachers such as Liner and Lithbarski, Zico believes Japanese soccer will develop a style closest to that of the South American school.

"It's easier for them to learn our movements mainly because of their physical attributes," he said. "They can run as fast as Europeans but they will combine this with South American *ginga*, or style in Portuguese. They're not strong enough to adopt European strategies."

Even with foreign talents setting an example, Zico said, it is important to limit their number to five per team, with a maximum three on the field at once, as is the rules over permit Japanese fans come to watch Japanese playing. Zico said, adding that "the public doesn't want to see only foreigners on the team."

Still, it's clear the J-League would not have leaped onto the front pages of Japan's sports papers if not for the foreign players. Zico, who two years ago could enjoy some anonymity here, now finds he can no longer commute by train or bus but must drive instead.

Dodgers Make It 9 Straight

The Associated Press

Just how hot are the Los Angeles Dodgers? So hot that even the loss of Orel Hershiser can't stop them.

Hershiser left Wednesday night's game against San Diego with a right elbow bruised by Kurt Stillwell's line drive in the second inning. But the Dodgers went on to beat the visiting Padres, 8-3, for their ninth straight victory and their longest winning streak since 1980.

The team said the injury did not appear to be serious.

Erie Davis and Tim Lincecum each drove in two runs for the Dodgers during a five-run fourth.

Reds 4, Braves 0: Tim Lincecum pitched a one-hitter in Cincinnati, striking out 10 Atlanta batters and allowed just a first-inning double by Deion Sanders.

Expos 6, Cardinals 0: Ken Hill became the

Reds' Schott Takes Little Note of Ban

The Associated Press

CINCINNATI — The Reds' owner, Marge Schott, skirted terms of his one-year suspension by passing a omelette to the new manager, Davey Johnson, during the game against Atlanta.

Schott, who is allowed to sit in a box seat behind the Reds' dugout, stood up as they came off the field in the fourth and waved a piece of paper that she then tossed into the dugout to a hit boy, who read it and took it to Johnson on the bench. He read it and put it in his pocket.

Asked after the game whether she'd passed a omelette into the dugout, Schott shook her head. Asked again, she said, "No comment."

Johnson confirmed he got a note, which, he said, asked the team to win.

"This is the first we've heard of it," Rich Levin, spokesman for baseball's executive council, said. "We'll have to find out more about it."

Mansell and the Oval Track So Far, So Good for Englishman at Indianapolis 500

By Joseph Siano
New York Times Service

INDIANAPOLIS — Nigel Mansell was remembering the pitch a good friend, the golfer Greg Norman, made to him about living in Florida: the convenience built into American life and, of course, the great weather.

"And since we've come to Florida," Mansell said the other day, "we've had three hurricanes."

On Sunday, the 39-year-old Englishman, who left Formula One racing as last year's world champion to race Indy cars, will have his first encounter with another weather disturbance: the air turbulence churned up when 33 race cars hurtle into Turn 1 at the start of the Indianapolis 500.

"I don't think about it," Mansell said, referring to a phenomenon that Aric Leyendeck, this year's pole sitter, once likened to hammers beating on his car. "That's probably my strength," Mansell said. "I don't think about things until I have to."

It's just as well. He might not want to dwell on the fact that his first oval-track race will come amid the most treacherous conditions this uniquely American form of racing offers.

And he might want to forget that while practicing for what would have been his first oval race on April 3 in Phoenix, he punched a hole in a concrete wall and tore open a pocket in his lower back that took more than 100 stitches to close.

That injury delayed his arrival at the Indianapolis Motor Speedway by almost a week. But since arriving on May 12, he has run fast and clean.

Considering the experience last year of Nelson Piquet of Brazil, a three-time world champion making his debut here, that is no small achievement.

Piquet hit the wall and shattered his feet after trying to enter the pits too quickly. He later attributed the wreck to his impatience with the leisurely nature of practice sessions here.

At Formula One race weekends, practices are

brisk. Drivers have about 90 minutes per session and can squeeze in about 25 laps.

Practice at Indy seems like a cricket match by comparison. There are no fewer than 12 full practice days, not counting the four days of time trials, with the track open seven hours each day.

"You have to motivate yourself to get up quick enough," Mansell said. "You have so much time. The qualifying day was the longest of my life."

He came into pole-day qualifying on May 15 with a fast practice lap of 224.949 miles per hour, (365.898 kilometers per hour) the fourth fastest of anyone in practice this month, despite running far fewer practice laps than most other drivers. He completed his qualifying run at 220.255, which put him in the middle of the third row.

When asked, Mansell will say that the most he expects on Sunday is a finish in the top six.

Mansell, who had a combative relationship with European reporters, has been cordial in Indianapolis. "It surpassed my greatest expectations as being the world's fastest and greatest motor racing oval," he said of the speedway.

Things might heat up Friday, when some of the 150 or so reporters from Europe get to question him at a press conference. Thanks to them, Mansell can take credit for knocking down another wall: the one that fell in the press room when it had to be expanded.

"The biggest shock I've had here was being a bit naive in thinking I could come over here and start a new career and completely forget about Formula One," Mansell said of the added attention.

That shock might be replaced by a new one on Sunday.

"The only thing I'm concerned about in coming here for the first time is there's only one line through the turns," he said.

"I don't like the idea of 33 cars piling into here on the first lap," he said a little later. "I don't see how they can get round."

Twins Beat A's by the (Very Large) Numbers

The Associated Press

The numbers: 31 hits, 23 runs, 22 left on base, 13 pitchers, 9 doubles, 5 wild pitches, 3 blown saves.

And all in one game, the Minnesota Twins' 12-11 victory Wednesday in Oakland.

The 4-hour game was played in an off-and-on rainstorm. When it was over, the prevailing feeling was disbelief.

"Did we win? Somebody said we won. I don't remember," said the Twins' manager, Tom Kelly.

With a 8-5 lead entering the

eighth, the Athletics called on relief ace Dennis Eckersley. He allowed four runs and Minnesota led, 9-8.

Minnesota stopper Rick Aguilera came on, but he walked in two runs with the bases loaded to make it 10-9, Oakland.

Then came the ninth, and Minnesota's Pat Meares tripled to make it 10-10, and Kirby Puckett followed with a two-run single.

But it wasn't over yet.

George Teaman allowed a leadoff home run in the bottom of the ninth to rookie Marcos Armas, then gave up two more singles before retiring Ruben Sierra on a pop fly to end the game.

Twins 4, Red Sox 2: Detroit extended its East lead to 3 1/2 games as Mickey Tettleton, Rob Deer and Scott Livingstone drove in runs against visiting Boston.

Royals 4, White Sox 3: George Brett got three RBIs and Mike MacFarlane drove in the winning run as Kansas City won in Chicago.

Brett's two-run homer in the third gave him 1,538 RBIs and moved him past Joe DiMaggio into 31st place on the all-time list. Next up is Willie Stargell at 1,540.

Mariners 2, Angels 0: Rich Amaral and Dave Valle singled in runs in the eighth to beat California in Seattle.

Brewers 8, Blue Jays 1: Jack Morris' ERA ballooned to 10.24 as he gave up eight runs on 10 hits in four innings while Milwaukee won in Toronto. Tom Lampkin drove in three runs and Greg Vaughn capped a six-run fourth with a two-run homer.

Indians 7, Rangers 6: Texas' Jose Canseco provided highlight film material by letting Carlos Martini's fly ball bounce off his head and over the wall in Cleveland.

Orioles 6, Yankees 2: Baltimore erupted for five runs in the eighth after Jim Leyritz failed to catch a lazy fly ball, allowing the go-ahead run to score in New York.

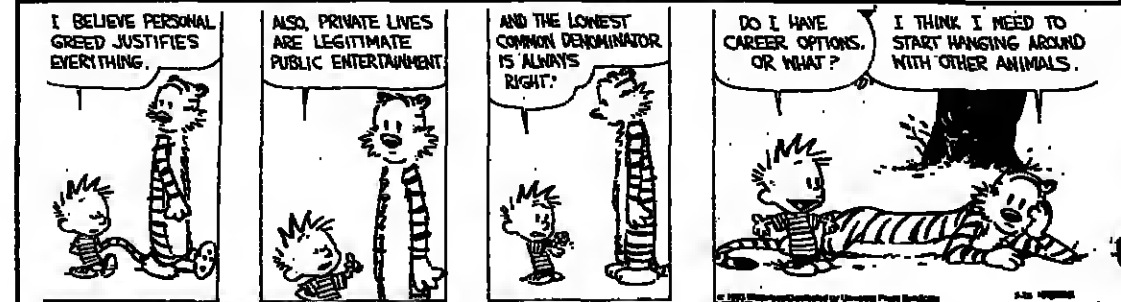
DENNIS THE MENACE



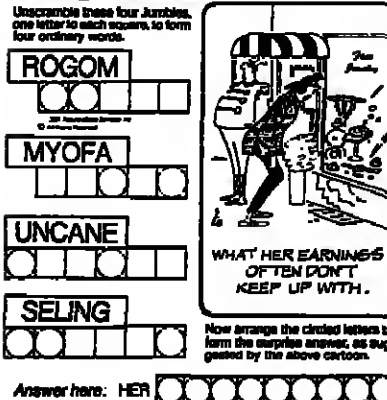
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CALVIN AND HOBBES



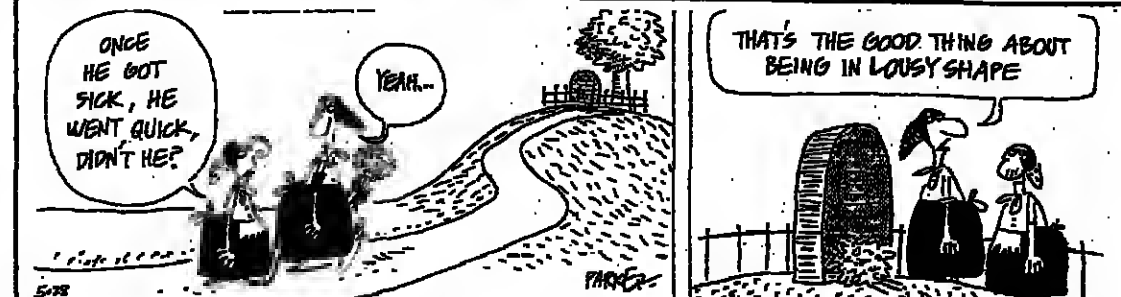
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REBOARD

OBSERVER

Sidewalks of New York

By Russell Baker
WASHINGTON — They're running for mayor of New York again. It must be the police escorts that go with the job. Or maybe it's the free rent that goes with Gracie Mansion. If you've ever had to pay rent in New York you know why a person will do almost anything to avoid it, even be mayor.

Hollywood Bizarre, Off Screen Too

By Maureen Dowd
LOS ANGELES — David O. Selznick once offered some tongue-in-cheek advice to an aspiring screenwriter: "Write whatever you want as long as there's a love scene and the girl jumps in the volcano at the end."



Joe Eszterhas is part of Hollywood's most famous quadrangle since Bob and Carol and Ted and Alice.

The screenwriter seems a bit distracted during the interview. As Guy McElwaine, his agent at International Creative Management, points out, Eszterhas' life has become as lurid a psychosexual drama as his scripts.

PEOPLE

Basinger Bites Bullet In Bankruptcy Court

Actress Kim Basinger filed for bankruptcy, saying that she was unable to pay \$7.4 million in damages for opting not to appear in a film. A court in March had found the actress guilty of breaking a promise to star in the film "Beverly Hills Cop II."

WEATHER

Forecast for Saturday through Monday as provided Accu-Weather. Includes maps of Europe, Asia, and North America, along with temperature and precipitation data for various cities.

CROSSWORD

Crossword puzzle grid with clues for Across and Down. Includes a solution for the puzzle of May 27.

CHAUTAQUA SUMMER: Adventures of a Late-Twentieth-Century Vaudevillian

Reviewed by Regina Weinreich
THOSE familiar with the town of Chautauque, an upstate New York cultural mecca, may be surprised to learn that the Chautauque is also a vaudeville show that for a month each summer tours the small towns in the American Northwest and Canada.

BOOKS

WHAT THEY'RE READING
Colin Wilson, the writer, who is one of the original "Angry Young Men," is reading John McCrone's "The Myth of Irrationality: The Science of the Mind From Plato to Star Trek."

Advertisement for O's Dithierie, featuring a crossword puzzle and promotional text.

Advertisement for AT&T USADirect Service, featuring a large image of a clock and promotional text.

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